

VERMONT GAS SYSTEMS
SUCCESSOR SERVICE QUALITY & RELIABILITY
PERFORMANCE, MONITORING & REPORTING PLAN

Section I: General Provisions

1. The purpose of this Plan is to establish performance standards, and performance monitoring and reporting for natural gas and energy efficiency services provided by Vermont Gas Systems, Inc. (VGS or the Company). The Plan shall be referred to throughout this document as the Plan.
2. The parties to this Plan are Vermont Gas Systems and the Vermont Department of Public Service (PSD).
3. Section II establishes the measurement and reporting protocols for the performance standards. Section III of the Plan establishes minimum performance standards in each performance area. Section IV of the Plan establishes service guarantees. Section V establishes the service quality compensation mechanism.
4. The Plan shall remain in effect from the beginning of the first quarter following Public Utility Commission (Commission) approval until modified by subsequent Commission order. The parties agree that they will review the Plan after it has been in effect for one year and every two years thereafter to determine the need for any modifications of measurements or performance levels. Either party may petition the Commission for modifications of measurements or performance levels at any time during the life of the Plan.
5. Nothing in this Plan shall preclude the use of other remedies available under law for addressing substandard performance to the degree that such performance has not already been addressed under the provisions of this Plan.
6. Section IV of the Plan consists of service guarantees to be offered by the Company, which are part of the Company's Commission-approved Terms and Conditions tariff effective August 1, 2004.
7. All monies paid under Sections IV and V of this Plan shall be accounted for below the line and shall not be included in the Company's cost of service for purposes of rate making.
8. In addition to the performance standards and measurements set forth in this document, the Company agrees to the following time frames for response to consumer and regulatory complaints:

- a. The Company shall provide a substantive response to consumer complaints expressed directly to the Company within 14 calendar days of receipt by any method of contact.
- b. The Company shall provide a substantive response to consumer complaints from PSD within 14 calendar days.
- c. If the Company needs additional time to respond fully to a complaint from a consumer or from PSD, the Company shall within the initial 14-day period request a specific additional time for response and shall provide a full resolution within the requested additional time.

Section II: Measurement and Reporting Protocol

1. The Company shall continue to monitor performance under the current Plan until the effective date of this Plan as provided in Section I.4.
2. Reporting periods shall be calendar quarters, with quarterly reports submitted to PSD and the Commission within 45 days of the end of each quarter, except for the standards in Section III, paragraphs 5.b, 6.a-b, 7a, and 7d, which shall be reported annually for the quarter when they are available.
3. Except as provided in Section II.2, performance results shall be aggregated monthly and quarterly and shall be reported quarterly to the PSD and the Commission.
4. Quarterly reports shall include both monthly and quarterly averages. Quarterly averages shall be derived from raw data, not by averaging monthly averages.
5. Achievement of minimum standards for purposes of calculating service quality compensation shall be determined on the basis of a 12-month average. Service quality compensation shall be calculated annually in the month following the anniversary of the effective date of the Plan. A minimum performance standard shall be considered met if the 12-month average upon the anniversary of the effective date of the Plan was met or was better than the standard.
6. Notwithstanding Paragraph 5, where quarterly performance is more than ten percent worse than any standard, or where performance does not meet any standard for two consecutive quarters, the Company shall within 45 days of the end of the quarter in which this provision is triggered, submit a corrective action plan indicating how it will remedy the failed standard.
7. Performance shall be evaluated and reported to one decimal place for all performance areas unless otherwise specified. Actual performance shall be rounded up when the relevant decimal place is 5 or more. The Company shall retain all of its reports that support the results for each of the performance areas for a period of not less than 24

months after the results are reported. The Company shall provide these reports upon request to PSD.

8. The Company shall review with the PSD any change to the Company's measurement protocol or to the internal reporting methods that are used to obtain the data measured prior to the Company's implementation of such changes. If the PSD and the Company are unable to agree on the changes requested, nothing in this Plan shall preclude PSD from seeking appropriate relief from the Commission. The Company shall have an affirmative duty to report missing data or other events that could reasonably affect the quality of the data at the time the Company becomes aware of such events. Any data related to the Plan reported to PSD that reflects significantly altered measurement procedures or internal data acquisition methods that have not been agreed to between the Company and PSD shall be subject to challenge and potential exclusion from results.

9. The Company may seek a waiver of any applicable performance standard from the Commission. A waiver may only be granted where the circumstances causing the failure were beyond the Company's control, and the Company can demonstrate that its level of preparedness and response was reasonable in light of the cause of the failure.

10. Definitions:

Bill: Shall mean bills for the consumption of natural gas and shall exclude final bills and bills for maintenance or repair service.

Escalation: An escalation is a complaint to the PSD for which, following investigation, it is determined there is something the Company reasonably could or should have done to satisfy the consumer and thereby prevent the complaint from arising. The PSD shall use its discretion to determine whether a complaint is classified as an escalation.

Meter Plan: The In-Service Gas Meter Test Plan approved by the Commission on June 24, 2005 in Docket No. 7075, and any subsequent modifications to that plan.

Normal Business Hours: 8 a.m. to 5 p.m., Monday through Friday, excluding Company holidays.

Outside of Normal Business Hours: Outside of Normal Business Hours are Weekends, Company Holidays, and 5 p.m. to 8 a.m. Monday through Friday.

Section III: Performance Standards

1. Call answer performance measures

- a. **Call Answering Service Level:** Percentage of customers not reaching a Company representative within 20 seconds during Normal Business Hours. Performance shall be calculated as follows:

$$\frac{\text{Number of calls not reaching a Company rep within 20 seconds}}{\text{Number of attempts to reach a Company rep}}$$

Performance measure: <=25.0%

Source of data: The standard shall be measured by using data obtained from the Company's automated call distribution system (ACD). The data will include all calls reaching the ACD during Normal Business Hours.

- b. **Abandon rate, Normal Business Hours:** Percentage of calls abandoned before reaching a Company representative during Normal Business Hours. Performance shall be calculated as follows:

$$\frac{\text{Number of calls abandoned}}{\text{Number of attempts to reach a Company rep}}$$

Performance measure: <=5.0%.

Source of data: The standard shall be measured by using data obtained from the Company's ACD.

- c. **Abandon rate, Outside of Normal Business Hours:** Percentage of calls abandoned before reaching a Company representative Outside of Normal Business Hours. Performance shall be calculated as follows:

$$\frac{\text{Number of calls abandoned}}{\text{Number of attempts to reach a Company rep}}$$

Performance measure: <=15.0%

Source of data: The standard shall be measured by using data obtained from the Company's ACD.

- d. **Blocked Calls to the Company:** Percentage of calls blocked. Performance shall be calculated as follows:

$$\frac{\text{Number of blocked calls}}{\text{Total number of calls}}$$

Performance measure: $\leq 3.0\%$.

Source of data: A call is deemed to have been blocked when it is classified as such by the Company's telecommunications provider. The standard shall be measured by using data that is provided by the Company's telecommunication provider.

2. **Billing performance measures:**

- a. **Percentage of bills not rendered monthly:** Percentage of bills not rendered within seven days of the scheduled billing date. Performance shall be calculated as follows:

$$\frac{\text{Number of bills not rendered within seven days of the scheduled billing date}}{\text{Total number of bills scheduled to be rendered}}$$

Exclusions: The measurement will exclude accounts that were activated within 10 days prior to the normal billing cycle; accounts that are scheduled to receive a final bill within 10 days after the normal billing cycle; off-system sales; and Company use accounts.

Performance measure: $\leq 0.10\%$

Source of data: This standard shall be measured by using data obtained from the Company's Customer Information System. Results shall be reported to the second decimal place.

- b. **Bills found inaccurate:** Percentage of bills found inaccurate after being sent to customers, brought to Company's attention either as result of customer complaints and/or by the Company's own efforts. Performance shall be calculated as follows:

Number of bills rendered inaccurately for the month
Total number of bills rendered for the billing month

Exclusions: This standard does not include bills found to be inaccurate strictly as result of estimation, bills where the inaccuracy does not affect the calculation of the bill, or bills where the fault does not lie with the Company. Multiple bills for a customer that are caused by the same error shall be counted as one incident.

Performance measure: $\leq 0.10\%$

Source of data: This standard shall be measured by using data obtained from the Company's Customer Information System. Results shall be reported to the second decimal place.

3. **Meter reading performance measures**

a. **Percentage of actual meter readings per month:** Percentage of meters not read each month in relation to the number that were scheduled to be read. Performance shall be calculated as follows:

Number of scheduled meters not read
Number of meter readings scheduled

Performance measure: $\leq 10.0\%$

Source of data: Data shall be obtained from the Company's Customer Information System.

4. **Work completion performance measures**

a. **Percentage of customer requested work not completed on or before promised delivery date:** The percentage of jobs resulting from customer requests for new service line installations, meter installations, meter turn-ons, meter read-overs, disconnects, and reconnects (collectively customer orders) that are not completed on or before the promised completion date. For purposes of this measure, a new service is one requested for a premise where the proposed meter location is within 150 feet of an existing energized gas main. Performance shall be calculated as follows:

Number of customer orders not completed on or before promised delivery date
Total number of customer orders promised to be completed in the reporting month

Exclusions: When an event outside of the Company's control occurs resulting in the work not being completed as promised, or if a customer requests a new work completion date, the Company will renegotiate the promised delivery date with the customer. Renegotiated customer orders will be reported as not completed, or completed on or before (as applicable) the new, renegotiated date.

Performance measure: $\leq 5.0\%$

Source of data: For all customer orders excluding service line installation, data shall be obtained from the Company's Customer Information System. When a customer calls for included work, a service request is created for the date promised to the customer. Reports are generated monthly of all meter orders closed during the prior month and are reviewed for the following exclusions: (1) delayed at the customer's request or because the customer was not ready for the work to be performed, (2) meter order request not the result of a customer request but rather an internal request for meter order work, and (3) non-regulated business activities.

For service line installations, the data shall be obtained from the Company's work order system. For each service line installation, a promise date will be agreed to by the Company and customer and recorded in the Company's work order system.

b. **Average number of days after the missed delivery date:** Average number of days after the missed delivery date in which the Company was to complete work covered under 4a above. Performance shall be calculated as follows:

$$\frac{\text{Total days of delay}}{\text{Total number of delayed jobs in the reporting month}}$$

Exclusions: When a customer so requests, or an event outside of the Company's control occurs resulting in the work not being completed as promised, the Company will renegotiate the promised delivery date with the customer.

The Company will report the data but performance will not be measured unless an historical record of complaints indicates a clear failure to comply in the reasonable opinion of the Department of Public Service.

Source of data: For all work covered in 4a above except for service line installations, data shall be obtained from the Company's Customer Information System. When a customer calls for included work, a service request is created for the date promised to the customer. Reports are generated monthly of all meter orders closed during the prior month and are reviewed for the following exclusions: (1) delayed at the customer's request or because the customer was not ready for the work to be performed, (2) meter order request not the result of a customer request but rather an internal request for meter order work, and (3) non-regulated business activities.

For service line installations the data shall be obtained from the Company's work order system. For each service line installation, a promise date will be agreed to by the Company and customer and recorded in the Company's work order system.

c. **Percent Residential and Commercial Prescriptive Equipment Replacement Rebates ("RER" and "CER") not mailed within 14 days of receiving completed customer self-certification form or within 14 days of RER equipment inspection.** Performance shall be calculated as follows:

$$\frac{\text{Number of RER and CER rebates not mailed within 14 days of receipt of customer self-certification form or completed RER or CER inspection}}{\text{Total number of RER and CER self-certification or inspections completed in the reporting month}}$$

Exclusions:

- 1) Equipment that does not meet the efficiency requirement;
- 2) Equipment for customers who do not accurately fill out the form;
- 3) Non-prescriptive equipment that requires customized engineering or cost-effective analysis
- 4) Equipment financed by customers

Performance measure: < 10%

Source of data: For self-certification rebates, "Receipt Date" will be obtained by stamping "Form Received" on the customer form upon receipt or by logging the email date for forms received electronically. For RER and CER projects inspected, inspection data shall be obtained from the Company's Customer Information System. "Check Sent" data will be obtained from the Energy

Efficiency Utility (“EEU”) database reflecting the date the incentive/rebate check was mailed to the customer.

d. **Percent of Residential Comprehensive Retrofit Program audit reports not sent within 14 days of an audit being performed.** This measure includes comprehensive energy efficiency audits performed by Company auditors on residential comprehensive buildings. Performance shall be calculated as follows:

$$\frac{\text{Total number of Residential Comprehensive Retrofit reports not mailed within 14 days of the audit}}{\text{Total number of Residential Comprehensive Retrofit audits performed in the reporting month}}$$

Exclusions:

- 1) Audits performed by third-party contractors;
- 2) Prescriptive energy saving measures installed in buildings based on a pre-defined set of criteria, rather than a custom audit, such as those installed in condominiums/townhomes and mobile homes;
- 3) Buildings with more than 4 units and with engineering analysis performed by commercial engineers; and
- 4) Energy snapshot and coaching-related audits.

Audits where no cost-effective measures were found may result in an abbreviated report but will be included in the quarterly reporting.

Performance measure: < 10%

Source of data: When a customer inquiry qualifies for a comprehensive energy audit, an inquiry for that building is created in the EEU database. Company auditors perform the comprehensive audit on the “audit date.” Then an audit report is prepared and mailed or emailed to the customer. The date the audit report is sent to the customer is entered into the EEU database as “audit report sent.” A monthly report from the EEU database will be generated to determine the number of audits performed (denominator) and the number of reports that are not sent within 14 days (numerator).

5. **Customer satisfaction measures**

a. **Transactional customer satisfaction:** Percentage of customers who rate VGS with a 4 or a 5 following customer-initiated contact with the Company (report, request, inquiry, customer requested work, and complaint resolution).

Performance measure: $\geq 80\%$. Deviation from the baseline for this measure shall be calculated by dividing the number of points of deviation from the baseline by 20 rather than 80 in order to convert the measure to its inverse. The performance standard shall be considered met if performance falls within the survey margin of error.

Source of data: Survey conducted by an independent third-party contractor performing four quarterly surveys of customers who have contacted the Company with a report, request, inquiry, complaint, or request for work in order to assess the level of satisfaction with the transaction. The Company will allow the PSD to review and have input into any changes it may propose to the survey.

b. **Overall customer satisfaction:** Percentage of customers rating VGS 5, 6, or 7 on the aggregate of two customer satisfaction annual survey questions.

Performance measures: $\geq 80\%$. Deviation from the baseline for this measure shall be calculated dividing the number of points of deviation from the baseline by 20 rather than 80 in order to convert the measure to its inverse. The performance standard shall be considered met if performance falls within the survey margin of error.

Source of data: Survey conducted by an independent third-party contractor performing an annual survey of a sample of the Company's Vermont customers. The sampling and surveying methods shall continue as agreed upon with the PSD. The Company will allow the PSD to review and have input into any changes it may propose to the survey.

c. **Rate of complaints to PSD/Consumer Affairs:** Percentage of customers who file complaints with PSD that are ultimately classified as escalations following investigation. Performance shall be calculated as follows:

$$\frac{\text{Number of escalations}}{\text{Total number of customers}}$$

Performance measure: $\leq 0.07\%$

Source of data: Data shall be obtained from the quarterly reports provided by PSD to VGS from the PSD Consumer Affairs Tracking System. Results shall be reported to the second decimal place.

6. **Worker safety performance measures**

a. **Lost Time Incident Rate:** The number of lost time cases experienced by the Company in a calendar year, multiplied by 200,000, and divided by the total number of hours worked by Company employees.

$$\frac{\text{Number of lost time cases} \times 200,000}{\text{Total hours worked by Company employees}}$$

Performance measure: ≤ 3.5

Source of data: Lost time cases are the total number of incidents that cause an injury while performing work for the Company resulting in an employee missing work. Lost time cases are recorded in column H on OSHA Form 300A, which is maintained by the Company's Human Resources Department.

b. **Lost Time Severity Rate:** The number of employee lost days, from injuries sustained while performing work, experienced by the Company for a calendar year, multiplied by 200,000, and divided by the total number of hours worked by Company employees.

$$\frac{\text{Number of employee lost days} \times 200,000}{\text{Total hours worked by Company employees}}$$

Performance measure: ≤ 30 days

Source of data: Employee lost days are the total number of calendar days missed by employees as a result of an injury sustained while performing work for the Company. Employee lost days are recorded in column K on OSHA Form 300A, which is maintained by the Company's Human Resources Department.

7. **Reliability Performance Measures**

a. **Meter Accuracy:** The Company shall implement and perform the Meter Plan. Should the Company fail to appropriately implement the Meter Plan, the following meter accuracy standards shall apply for the purpose of determining

service quality compensation: No more than 5% of Company meters shall fall outside an accuracy threshold of 98-102% as measured by meter in-test data describing check-rate meter test performance. The Company shall report meter accuracy percentages broken down by the following ranges: percent of meters accurate to <98%, >=98% and <100%; >=100% and <=102%; and >102%. Deviation from the baseline shall be measured as the percent of tested meters that fail to fall within the accuracy threshold.

Performance measure: Satisfactory implementation of the Meter Plan or <=5.0%

Source of data: Meter test records as maintained and compiled by the Company's Operations Department.

b. **Emergency response during Normal Business Hours:** This standard measures the time it takes the Company to respond to reports of possible natural gas leaks during Normal Business Hours. Emergency response time will be determined by calculating the difference between Time Order Received and Time Arrived on Scene.

Performance measure: During Normal Business Hours, average response time shall not exceed 30 minutes. The Company shall also provide a written report indicating the reason for, and the number of, incidents in which response time was greater than 45 minutes during Normal Business Hours.

Source of data: Data shall be obtained from the Company's Customer Information System.

c. **Emergency response Outside Normal Business Hours:** This standard measures the time it takes the Company to respond to reports of possible natural gas leaks Outside of Normal Business Hours. Emergency response time will be determined by calculating the difference between Time Order Received and Time Arrived on Scene.

Performance measure: Outside of Normal Business Hours, average response time shall not exceed 40 minutes. The Company shall also provide a written report indicating the reason for, and the number of, incidents in which response time was greater than 60 minutes Outside of Normal Business Hours.

Source of data: Data shall be obtained from the Company's Customer

Information System.

d. **Department of Transportation Annual Report of Gas Distribution Systems (RSPA F7100.1-1)**: The Company will provide a summary and analysis of trended information from its Department of Transportation Annual Report of Gas Distribution Systems (RSPA F7100.1-1). All adverse trends will be highlighted and reviewed with PSD, including describing planned corrective action plans.

e. **Underground Damage Prevention Statistics**: The Company shall comply with the Underground Damage Prevention Law. Non-compliance shall be measured as follows:

ii) **Non-compliance when VGS is the excavating party** will be measured as:

VGS Underground Damage Prevention Law Offenses
Total number of outgoing requests to Dig Safe from VGS

Performance Measure: 0%

Source of data: Data shall be obtained from VGS's Teldig System.

ii) **Non-Compliance when VGS is the marking party** will be measured as:

Number of times the Vermont Damage Prevention Compliance Officer
determines VGS failed to mark or mis-marked its pipelines
Total Number of incoming notifications from Dig Safe

Performance Measure: 0.1%

Source of data: Data shall be obtained from the Dig Safe System.

iii) **VGS shall file all Underground Facility Damage Prevention Reports.**

Performance Measure: 0 occurrences of the PSD finding a violation of this requirement

Source of data: Data shall be obtained from PSD violation notices.

Section IV: Service Guarantees

1. The Company shall offer the following service guarantees:
 - a. **Bills not rendered:** The Company shall provide a credit of \$10 to any retail customer whose bill is not rendered within 7 days of the customer's scheduled billing cycle. In the event of systemic errors that affect in excess of 500 customers in the same manner and the same incident (such as programming errors), the amount of service guarantees shall be capped at \$5,000 per incident. The \$5,000 shall be divided equally among all affected customers.
 - b. **Bills found inaccurate:** The Company shall provide a \$10 credit if a retail customer's bill is determined to be inaccurate (see above Section III.2.b.) as the result of a customer complaint, or found to be inaccurate by the Company after the bill has been sent to the customer. In the event of systemic errors that affect in excess of 500 customers in the same manner and the same incident (such as programming errors), the amount of service guarantees shall be capped at \$5,000 per incident. The \$5,000 shall be divided equally among all affected customers. Bills that are inaccurate in the customer's favor where the Company chooses not to collect are excluded from this service guarantee.
 - c. **Service initiation:** The Company shall provide a credit of \$15 to any customer whose service is not initiated within five business days of the service initiation date agreed upon by Customer and the Company provided that all necessary distribution and service lines have been installed prior to the requested date. Service initiation means the gas meter is turned on and the account for the meter is in the new customer's name.
 - d. **Final meter reads:** The Company shall provide a credit of \$10 to any customer whose final meter reading does not occur within three business days of the requested date.
2. All credits owed to customers as a result of the Company's failure to meet the service guarantees described above in Paragraph 1 will automatically be credited without the customer having to notify the Company. In the event a customer who is due a credit no longer has an account with the Company at the time the Company determines a credit is due, the Company shall mail a check for the credit amount to the customer's last known address. All unclaimed funds will follow legal requirements regarding abandoned property.

Section V: Service Quality Compensation

1. Failure to meet the standards in performance areas III.1.a-d, III.3.a, III.5.a-b, and III.7.a-c (the “Service Quality Compensation Measures”) shall result in the calculation of service quality compensation points.
2. Attachment A sets forth which performance measures are relevant for purposes of calculation of service quality compensation points. Points are assigned for areas subject to service quality compensation based on actual performance during the 12-month reporting period. Actual performance shall be compared to the performance measure. The deviation of the actual performance compared to the performance measure is expressed as a percent deviation from the performance measure. This percent deviation shall be expressed as points by multiplying the percent (as expressed as a decimal) by 100 so that each point equals one percent deviation from the baseline. No points are assigned if the Company achieves results equal to or better than the performance measure. When the Company performs worse than the performance measure, the applicable points are calculated for each performance measure and totaled. The total of these points is referred to as service quality compensation points.
3. A dollar amount will be assigned to service quality compensation points as shown in Attachment B. Service quality compensation dollars are assessed on a sliding scale up to a maximum one-year total of \$295,000, which is equal to 300 service quality compensation points.
4. A dollar amount is assigned to each service quality compensation point within a range such that increasing service quality compensation points results in higher service quality compensation dollars per point. The service quality compensation dollars are calculated incrementally, that is, the service quality compensation dollars are calculated first at the bottom tier for the applicable service quality compensation points (e.g., the first 25 points are worth \$246 per point). The next range of points is multiplied by the next highest dollar amount (e.g., if there are a total of 80 points, compensation would be calculated as follows: the first 60 are \$246 per point and the next 20 are worth \$492 for total service quality compensation of \$24,600).
5. Service quality compensation dollars shall be paid to active customers through a one-time credit. The Company shall propose at the time of its quarterly filing in the month following the anniversary of the effective date of the Plan to which customers service quality compensation points shall be paid. As far as practicable without incurring substantial administrative costs, service quality compensation dollars shall be returned to those active customers who were affected by the service deterioration. The Company

shall also propose at the time of its filing in which service quality compensation is calculated the manner of communication to its customers concerning its service performance for the prior 12-month period.

6. The service quality compensation dollars due to customers shall be offset by any monies paid to customers through the service guarantees in Section IV.

7. The PSD shall file any objection to the service quality compensation calculation, proposed credit methodology, and customer communication within 30 days after the Company files its proposal. The Company's service quality compensation calculation shall be deemed accepted if the PSD files no objection within 30 days after the Company's proposal is submitted, and the Commission does not take action to examine the Company's filing within 15 days after the filing deadline for an objection by the PSD. If PSD files a timely written objection, the Commission will proceed to resolve the dispute.

8. If in any given year, the Company meets all baselines, and produces results 10 percent better than required by each of the Service Quality Compensation Measures, the Company may carry over a balance of -25 service quality compensation points that may be deducted from any points earned in the following year.

Amended

Attachment A: Performance Areas and Associated Baseline Standards
for Calculation of Service Quality Compensation Points
Vermont Gas Systems Successor Service Quality & Reliability Plan

		<u>Performance Measure</u>	<u>Service Quality Compensation Points</u>	<u>Service Guarantees</u>
<u>Call Answer Performance</u>				
1a	Calls not reaching a company rep within 20 seconds	<= 25.00%	Yes	No
1b	Calls abandoned, Normal Business Hours	<= 5.00%	Yes	No
1c	Calls abandoned, Outside of Normal Business Hours	<= 15.00%	Yes	No
1d	Blocked calls	<= 3.00%	Yes	No
<u>Billing performance</u>				
2a	Bills not rendered monthly	<= 0.10%	No	Yes
2b	Bills found inaccurate	<= 0.10%	No	Yes
<u>Meter Reading Performance</u>				
3	Meters not read	<= 10.00%	Yes	No
<u>Work Completion Performance</u>				
4a	Work not completed by promised date	<= 5.00%	No	Yes
4b	Average Delay days	<= N/A	No	Yes
4c	Residential and Commercial Prescriptive Equipment Rebates	<= 10.00%	No	No
4d	Energy Efficiency Audit Reports	<= 10.00%	No	No
<u>Customer Satisfaction Measures</u>				
5a	Customers rating VGS 4 or 5 on transactional survey	>= 80.00%	Yes	No
5b	Customers rating VGS 5, 6 or 7 on annual survey	>= 80.00%	Yes	No
5c	Complaints to PSD	<= 0.07%	No	No

Worker Safety Measures

6a	Lost time incident	<= 3.5	No	No
6b	Lost time severity	<= 30	No	No

System Reliability

7a	Meters failing to meet 98-102% accuracy threshold by class	<= 5.00%	Yes	No
7b	Emergency response during Normal Business Hours	= 30 minutes	Yes	No
7c	Emergency response Outside of Normal Business Hours	= 40 minutes	Yes	No
7d	DOT Annual Report of Gas Distribution Systems	= Reporting	No	No
7e (i)	Underground Damage Prevention - VGS excavating party	= 0.00%	No	No
7e (ii)	Underground Damage Prevention - VGS marking party	<= 0.10%	No	No
7e (iii)	Underground Damage Prevention - VGS Report Filing	= 0	No	No

Attachment B: Vermont Gas Systems Service Quality Compensation Cap and Points

VGS maximum annual service quality compensation

	<u>Maximum compensation</u>	<u>Avg cost/point (300 pt cap)</u>
	\$ 295,000	\$ 983

SERVICE QUALITY POINT CALCULATION

<u>Point ranges</u>	<u>Pts in range</u>	<u>Weighting</u>	<u>Per point</u>	<u>Max/level</u>	<u>Cumulative</u>
241-300	60	1.750	\$ 1,721	\$ 103,250	\$ 295,000
181-240	60	1.500	\$ 1,475	\$ 88,500	\$ 191,750
121-180	60	1.000	\$ 983	\$ 59,000	\$ 103,250
61-120	60	0.500	\$ 492	\$ 29,500	\$ 44,250
0-60	<u>60</u>	0.250	\$ 246	<u>\$ 14,750</u>	\$ 14,750
Total	300			<u>\$ 295,000</u>	