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September 27, 2021

VIA ELECTRONIC FILING

Brinda Westbrook-Sedgwick
Commission Secretary
Public Service Commission
of the District of Columbia
1325 "G" Street, N.W., 8th Floor
Washington, D.C. 20005

Re: **FORMAL CASE NO. 977 AND RM 37-2017-01**
[WASHINGTON GAS'S CORRECTIVE ACTION PLAN] - PUBLIC

Dear Ms. Westbrook-Sedgwick:

Pursuant to the Public Service Commission of the District of Columbia ("Commission") Order No. 21017, issued on September 15, 2021, in the above-captioned proceeding, Washington Gas Light Company hereby submits the public version of its Corrective Action Plan ("CAP") and response to information requested by the Commission.

The Confidential version of this filing will be filed under separate cover. Commission Staff and the Office of People's Counsel are being serviced with copies of Confidential Appendices 1 through 4 for this filing via the Company's SharePoint site for this proceeding.

Please do not hesitate to contact me if you have questions regarding this matter.

Sincerely,



Meera Ahamed
Associate General Counsel

pc: Per Certificate of Service

BEFORE THE
PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA

IN THE MATTER OF)	
)	
THE INVESTIGATION INTO THE)	
QUALITY OF SERVICE OF)	Formal Case No. 977
WASHINGTON GAS LIGHT COMPANY,)	
DISTRICT OF)	
COLUMBIA DIVISION, IN THE DISTRICT)	
OF COLUMBIA)	

WASHINGTON GAS LIGHT COMPANY’S CORRECTIVE ACTION PLAN

Pursuant to the Public Service Commission of the District of Columbia (“Commission”) Order No. 21017, issued on September 15, 2021, in the above-captioned proceeding, Washington Gas Light Company (“Washington Gas” or “Company”) hereby submits its Corrective Action Plan (“CAP”).

I. EXECUTIVE SUMMARY

This compliance filing responds to the Commission’s directive for Washington Gas to submit a CAP to meet the Natural Gas Quality of Service Standards (“NGQSS”) prescribed by Title 15 of the District of Columbia Municipal Regulations (“DCMR”)

§3704.6¹ and 3704.8² (hereinafter “§3704.6 and §3704.8”),³ and to provide information requested by the Commission related to customer call answering and call abandonment requirements.

The focus of the CAP described in this pleading focuses on the “road map” going forward for Sutherland Global Services Inc. (“Sutherland”), the Company’s new service provider, to achieve the utility’s NGQSS for call answering and call abandonment. However, the Company’s termination of its contract with its prior service provider Faneuil, Inc. (“Faneuil”), and its engagement of Sutherland, were the critical first and second steps of the CAP to comply with §3704.6 and §3704.8. Washington Gas moved forward with both these actions after conducting its due diligence of the market for call center services.

The next steps of the CAP, ten (10) key actions, as well as responses to the Commission’s questions and requests for information in Order No. 21017,⁴ are detailed in Section V below. Washington Gas is confident that Sutherland’s good faith efforts to comply with the terms and conditions of the Master Services Agreement that the two companies entered into in June 2021 (“MSA”), combined with the full confidence and significant additional support of Washington Gas, will enable the Company to achieve compliance with §3704.6 and §3704.8 by the December 2021 reporting period.

¹ 15 DCMR §3704.6 (2019): The Natural Gas Utility shall answer at least seventy percent (70%) of all customers’ phone calls within thirty (30) seconds and shall maintain records delineating customer phone calls answered by a Natural Gas Utility representative or an automated operator system. The Natural Gas Utility shall measure and report on an annual basis to the Commission and OPC the average customer wait time before being transferred from an automated operator system to a Natural Gas Utility representative.

² 15 DCMR §3704.8 (2019): The Natural Gas Utility shall maintain a Call Abandonment Rate below ten percent (10%) on a quarterly basis and shall report the information to the Commission and OPC on an annual basis in the QSSPR.

³Section references in this document relate to Chapter 37 of Title 15 of the District of Columbia Municipal Regulations.

⁴ Order No. 21017 at 3,4, (paragraph 7).

II. BACKGROUND

On November 13, 2019, the Commission issued Order No. 20254 in this proceeding as well as RM37-2017-01,⁵ adopting amendments to natural gas quality of service and reliability standards (which had been in effect since November 2009), to enable the Commission to continue evaluating Washington Gas's performance and ensuring that the Company maintains gas services at an adequate level of quality, reliability and safety for District of Columbia ratepayers ("November 2019 revisions").⁶ The Commission granted Washington Gas until April 30, 2020, to comply fully with the reporting⁷ requirements set forth in 15 DCMR §§3701, 3702 and 3703 of the revised rules.⁸

In its first annual report under the revised NGQSS, which was for calendar year 2020,⁹ the Company provided explanations for not meeting the service standards for several metrics, including § 3704.6 and §3704.8, and requested a waiver of the NGQSS for those metrics. On July 30, 2021, the Commission issued Order No. 20780, accepting the Company's annual report for calendar year 2020, as filed. The Commission also granted Washington Gas's request for a waiver of the requirements of §§ 3702.2, 3702.5, 3704.6, 3704.7, 3704.8. and 3704.9.

The Company closely monitored and tracked the performance of Faneuil with respect to the NGQSS metrics for customer call answering and call abandonment. However, despite supporting Faneuil through providing pay-for performance and

⁵ *Natural Gas Quality of Service Standards and Reliability Performance*, RM37-2017-01.

⁶ Order No. 20254 at 19.

⁷ *Id.* at 14, 15.

⁸ *Id.*

⁹ The annual report for calendar year 2020 was filed on February 1, 2021.

attendance incentives; strategic, management and back-office training and resources, and the implementation of various process and technology measures Faneuil's performance levels showed no improvement.¹⁰ At the end of 2020, Washington Gas concluded that, even with increasing levels of Company support, Faneuil could not meet the NGQSS, and therefore the Company began the process of selecting a new service provider. In June 2021, Washington Gas entered into an MSA with Sutherland for the provision of Contact Center, Billing and Credit/Collections services (as specified in the three Statements of Work),¹¹ to replace services provided by Faneuil.

On September 15, 2021, the Commission issued Order No. 21017 directing Washington Gas (among other requirements) to submit a CAP within 10 days of the date of the Order, to bring the Company into compliance with the NGQSS for §3704.6 and §3704.8.12 This filing complies with the Commission's directive for the CAP.

III. SELECTION OF NEW SERVICE PROVIDER

Washington Gas began the process of identifying a new service provider to replace Faneuil in December 2020. Given the need for an expedited process to replace its service provider, Washington Gas decided to negotiate directly with Sutherland for the provision of various outsourced business services to the Company. The decision was driven both by the vendor's solid reputation for aligning with leading industry practices, and the consistently strong performance results it had achieved for WGL Energy Services,

¹⁰ Washington Gas's quarterly reports for January-March and April-June 2021 reflect that the Company did not meet the NGQSS requirements for call answering and call abandonment for those periods. The quarterly reports identify corrective actions for these metrics.

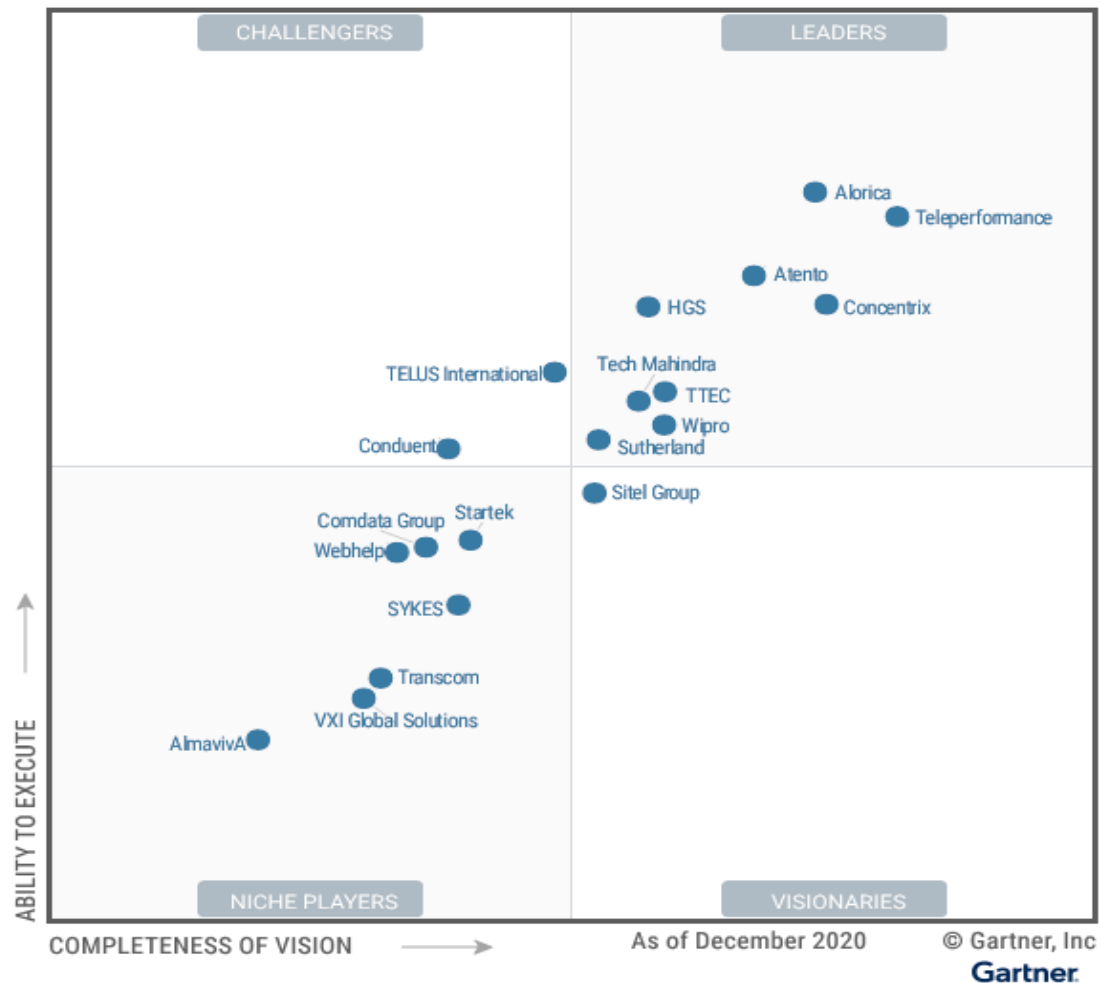
¹¹ The following confidential Appendices are not included in the public version of this filing: Appendix 1 (MSA); Appendix 2 (SOW-1 Contact Center); Appendix 3 (SOW-2 Billing); and Appendix 4 (SOW-3 Credit Collections).

¹² Order No. 21017 at 1 and 5.

Washington Gas's sister company. As Figure 1 below shows, Sutherland also earns high ranking by Gartner, demonstrating leadership in their category and earning them a positive reputation among high performing experience brands.¹³

Magic Quadrant

Figure 1. Magic Quadrant for Customer Service BPO



Source: Gartner (February 2021)

¹³ Gartner Magic Quadrant for Customer Management Contact Center BPO, Worldwide, February 2021.
ID: G00469976.

To verify that Sutherland’s pricing was aligned to market conditions, Washington Gas’s Supply Chain Management, and the Customer Experience teams engaged a third-party Information Services Group (“ISG”) to complete an independent market survey and assessment of BPO service providers to affirm that the Company had received market competitive rates and that requirements were aligned to leading practices. The market assessment determined that the 2021 Market Price Benchmark was in line with Sutherland’s bid.

Washington Gas and Sutherland executed the MSA on June 22, 2021. The target date for completion of the transition to Sutherland was the third quarter of 2021. However, Faneuil’s performance continued to degrade to the point that Washington Gas lost confidence in the service provider’s ability to handle the Company’s business until the initial transition date, even with significant additional support and resources provided by Washington Gas. Washington Gas therefore took the reasonable measure to accelerate the transition to Sutherland by almost two (2) months.

IV. KEY CONTRACT PROVISIONS IN THE SUTHERLAND CONTRACT TO ADDRESS PERFORMANCE IMPROVEMENTS

The table below identifies key terms and conditions in the Sutherland contract that are enhancements compared to the Company’s arrangement with Faneuil.

<u>Contract term</u>	<u>Improvements in Sutherland contract</u>
<u>Additional services and functionality</u>	<ul style="list-style-type: none"> • <u>Sutherland Connect is an Omni-Channel Platform – integrated with SAP</u> • <u>Allows for addition of Chat, Mobile/SMS, VOC and Social channels in addition to existing Voice and Email</u> • <u>Enhanced learning management system with redesign of existing training material</u>

	<ul style="list-style-type: none"> • <u>AI-powered Quality Management platform</u>
<u>Resourcing model and capacity</u>	<ul style="list-style-type: none"> • <u>Hybrid brick & mortar / remote worker model – providing greater staffing flexibility</u> • <u>Onshore / offshore / nearshore capabilities</u>
<u>Action Plans / Step-In Rights</u>	<ul style="list-style-type: none"> • <u>Improved and more proactive step in rights to address any vendor performance plan failures</u> • <u>Penalties for missed metrics have an escalation factor if not resolved after the first month target max ~\$90K/ mos (=12% of total bill).</u>
<u>Service Optimization Focus</u>	<ul style="list-style-type: none"> • <u>Sutherland maintains a ~80% annual retention rate by offering wages that are higher than minimum wage</u> • <u>TCO price model incentivizes improved performance through technology enhancements and process improvements</u> • <u>Vendor will deliver an annual technology roadmap to outline issues / opportunities for improvement to collaborate on with WG.</u>
<u>Term</u>	<ul style="list-style-type: none"> • <u>A 3yr term allows WGL to elevate our experience, while we consider alternative models and plan accordingly.</u>

In order to ensure compliance with the NGQSS, the MSA has built in more stringent thresholds for Sutherland to meet than were in the Company's contract with Faneuil. The Sutherland contract includes several leading practice performance metrics, and Sutherland's performance to these metrics will be tied to financial penalties for non-compliance. Service level targets for Sutherland are shown in Appendix 5.

V. WASHINGTON GAS'S CORRECTIVE ACTION PLAN ("CAP")

As directed by the Commission in Order No 21017, Washington Gas submits its CAP to bring the Company into compliance with NGQSS for §3704.6 and §3704.8.¹⁴ The CAP consists of two parts. Part I is a timeline for Washington Gas in partnership with Sutherland to achieve of key performance indicators to comply with the NGQSS for §3704.6 and §3704.8. Part II is responsive to the requests for information in Paragraph 7 of Order No. 21017 – notably, most of these items are addressed in the MSA with Sutherland.

Part I – Timeline for achieving NGQSS requirements §3704.6 and §3704.8

Washington Gas will implement 10 key actions that address both the demand (call volume) and supply side (efficient, quality agents and technology responding to customer needs) of our challenge. Based on these actions described below, Washington Gas expects to be able to comply with §3704.6 and §3704.8 for the reporting month of December 2021.

Planned Actions

1. MODIFY OPERATING HOURS

Modify hours of operation beginning Monday, September 27, 2021

- a. Monday 8a-8p
- b. Tuesday – Friday 8a-6p
- c. Saturday 8a-12p

Compressing hours will maximize staffing, concentrating agents on the highest call volume periods ultimately reducing average speed to answer / abandonment.

¹⁴ Our goal is to have 98% of emergency calls answered in 30 seconds or less, which is a higher performance level than required by the Commission.

2. CONTINUE TO GROW AGENT RESOURCES

Increase the # of resources (Sutherland representatives and Washington Gas temporary contractor resources).¹⁵ Additional agents increase capacity to handle calls, reducing average speed to answer / abandonment. The current expected schedule for hiring new agents is:

- a. End of Sept - 15
- b. End of October - 100
- c. End of November - 40
- d. End of December – 45

3. LEVERAGE OUR OWN EMPLOYEES FOR CARE FUNCTION

Train twenty-five (25) Washington Gas employees by the end of October 2021 to process calls providing additional capacity through the end of the year

4. ADD NEW MANAGEMENT FOCUSED ON STAFF UTILITIZATION

Add three (3) Resource Managers by October 2021. The resource managers will provide just in time intraday management of time between calls to increase staff utilization (shift idle time to utilized (e.g. handled time).

5. PROVIDE STAFF BONUS FOR WORK ATTENDANCE

Implement attendance bonuses by September 30, 2021. Absenteeism rates are higher than desired. Attendance bonuses will focus on available time and schedule adherence. This bonus is designed to reward agents that consistently serve our customers and increase available time to answer calls.

6. NO CUSTOMER DISCONNECTS

Pause disconnects and late fees through December 31, 2021. Putting a hold on late fees/disconnect orders through the end of the year will reduce billing/credit & collection-related call volumes. We intend to message this through various channels, including media (See Appendix 7, which is a copy of a communication to customers sent by either email or direct mail on September 26, 2021).

¹⁵ Estimated impact of adding contractors and agents to available time was calculated based on current agent availability and utilization. Attrition averages 30% on new hires.

7. PROVIDE EXTENSIVE TRAINING FOR NEW AGENTS

Training for Incoming Agents beginning in October 2021 will encompass full training for five (5) weeks, which reduces the amount of time it takes for agents to handle calls (Average Handle Time), allowing them to handle more calls per day. As agents are better prepared, this training should increase the efficiency of these resources.

8. ANALYZE AND IMPLEMENT SERVICE PATH IMPROVEMENTS

Investigate additional opportunities to reduce average handle time. Internal customer teams are actively listening to recordings in an effort to identify ways to optimize scripts or improve the call handling process to reduce average handle time and to improve the customer experience.

9. RE-OPEN OUR ANACOSTIA OFFICE FOR IN-PERSON EXPERIENCE

By October 31, 2021, Washington Gas expects to open its Anacostia offices 2.5 days per week for customers who prefer an in-person option.

10. IMPROVE TECHNOLOGY SOLUTIONS FOR CUSTOMERS

Enhance the Company's online self-service (specifically stop/start service) function by October 31, 2021, so that more customers can start and stop service online. In addition, we will begin to leverage a virtual hold option for customers so that they can continue to "hold their spot" without remaining on-line; this should reduce frustration and reduce repeat calls offered.

With the implementation of the tactics described above, Washington Gas is committed to reaching the NGQSS service performance levels by the December 2021 reporting period. In addition, the Company will evaluate performance for customer call answering and call abandonment daily and will evolve and refine the CAP to ensure the standards are met, including either enhancing or replacing tactics, as needed.

The performance levels for September through December will be available in the monthly reports for §3704.6 and §3704.8. In addition, the data will be reflected in the NGQSS fourth quarter and calendar year 2021 annual reports that will be filed in January 2022.

Part II – Responses to the Commission’s Requests for Information

This section is responsive to the information requested by the Commission regarding the Company’s Corrective Action in Paragraph (7) of Order No. 21017.

(1) The name and location of service center(s):

- For Contact Center Services:
 - (i) Majority of the Services from the State of Virginia and surrounding area utilizing work at home services
 - (ii) Rochester, New York (for limited non-emergency services)
 - (iii) Manila, Philippines (for limited non-voice, non-emergency services)
- a. For Billing Services:
 - i. Manila, Philippines
- b. For Credit and Collections Services:
 - i. Manila, Philippines

(2) The overall transition and conversion plans from the existing vendor to the new vendor with specific milestones and schedules

Washington Gas had prepared detailed transition and conversion plans for the move from Faneuil to Sutherland, which contemplated termination of services from Faneuil in mid-October 2021. However, precipitated by continued poor performance, Washington Gas transitioned fully to Sutherland on August 24, 2021, almost two months ahead of the schedule. The Company is now focused on delivering its obligations partnered with Sutherland.

(3) The service level agreement targets and related performance metrics during the transition period and thereafter with sufficient granularity

Please refer to the table provided in Appendix 5.

(4) The vendor recruiting, training and onboarding plans for its customer service representatives (including plans to handle higher call volumes associated with winter heating season)

The vendor recruiting, training and onboarding requirements for all of the Services under the Agreement are set forth in the attached Confidential exhibits:

- Confidential Appendix 1 (MSA) – Exhibit 13 (Training Requirements);
- Confidential Appendix 2 (SOW-1) – Section 4 (Human Resources)
- Confidential Appendix 3 (SOW-2) – Section 4 (Human Resources)

- Confidential Appendix 4 (SOW-3) – Section 4 (Human Resources)

The Agreement provides for robust volume management. Specifically, it requires forecasted volume planning that takes seasonality into account (i.e., the baseline volumes forecast higher volumes during the winter heating season and immediately thereafter when the moratorium is raised). Sutherland is required to perform Services regardless of volume increases; however, it is not subject to paying Service Credits if the volume exceeds 115% of the forecast.

(5) Data and cybersecurity integrity and protection plans and capability

Data and cybersecurity and protections with which Sutherland must comply are included in the following sections of Confidential Exhibit 1 (MSA):

- Section 10 (Data Security and Protection)
- Exhibit 4-A (Information Security Requirements) -

(6) Specific steps the vendor will utilize to track and remediate service level gaps as they arise

See Confidential Appendix 1. Section 3.3(e) states, “If Service Provider fails to meet or anticipates a failure to meet one or more Critical Service Levels for more than two (2) consecutive months, Service Provider will commit additional resources as needed to complete performance of the affected Services on time. Service Provider’s commitment of such additional resources will not reduce or limit Service Provider’s liability under the Agreement for the delay and WGL will have no responsibility to pay Service Provider any additional amounts in respect of such additional resources except to the extent expressly provided in Section **Error! Reference source not found..**”

(7) The specific process the vendor will utilize to handle emergency calls

- a. The emergency calls are handled by specialized Emergency Service Representatives (ESRs)
- b. These ESRs receive specific training and specific scripting by which to manage these calls
- c. These calls are segmented by the interactive voice response (IVR) system and directed to the specialized representatives
- d. Separate KPI tracking is completed and reporting provided for emergency calls

(8) Call center technological solutions the vendor will utilize as compared to best practices.

See Confidential Appendix 1. Sections 4.2 (a) and (b) provide (in relevant part):

Service Provider will provide quality assurance and quality improvement as part of the Services, including by conducting regular quality assurance reviews of the Services, by identifying lessons learned from process challenges for purposes of implementing process improvements, by identifying and implementing proven techniques and tools from other Service Provider initiatives or engagements following the Change Control Procedure (*i.e.*, 'Generally Accepted Industry Practices'), and by identifying and applying Service Provider programs, practices and measures designed to ensure and improve Service quality and performance.

Service Provider acknowledges that WGL is entering into this Agreement, in part, to obtain the benefit of Service Provider's technology and future technology improvements and innovations, including incorporation of artificial intelligence, machine learning and other similar technologies and processes that will make Service Provider's delivery of, and WGL's receipt of, the Services more efficient and provide a better experience for WGL's customers. Accordingly, Service Provider will make those investments required to maintain the Service Delivery Environment at the level of technological currency consistent with best practices in Service Provider's industry.

(9) Provide sample copies of reports provided by the vendor to WGL regarding monitoring the vendor's service.

The reporting requirements for Sutherland are detailed in Schedule B in each of Confidential Appendices 2, 3 and 4, related to Contact Center, Billing and Credit Collections services, respectively. Sample reports are included in Appendix 6.

(10) The specific process for handling customer's complaint escalation transactions

- a. The representative will attempt to de-escalate the call
- b. If unable to de-escalate, the representative will transfer to a supervisor.
- c. If the supervisor is unavailable, the option will be provided to speak to an Escalations representative
- d. If the customer is adamant, the Supervisor will return the call within 24/48 hours.
- e. All escalations will be tracked, and trend reporting provided monthly during the operations meeting.

(11) Detailed explanation of how the vendor's call answering service/software will interface with WGL's billing, work management, and outage management systems

The new vendor's call answering service/software is a separate application utilized primarily to manage call flow. The IVR system is integrated with the billing system and can pass through basic caller/account information to the representative. Additionally, the integrated IVR system will provide account balance and payment information upon customer request.

The associates answering the calls have been granted access to the customer information system (e.g. SAP, which is the billing, work management and outage management system that Washington Gas uses) to answer questions and resolve problems.¹⁶

(12) A detailed explanation of how the new vendor will handle COVID-related payment assistance programs, including deferred payment agreements, the arrearage management program, and the expansion of the Residential Essential Service ("RES").

The new vendor will handle all calls by responding to customer calls as a representative of Washington Gas using scripts and other aids as approved by the Company. Vendor Customer Service Representatives (CSRs) will look up information requested by caller, or research subject area, as required using Washington Gas's customer information system (e.g. SAP, which is a work management system that Washington Gas uses) to answer questions or resolve problems. If the call has been misdirected, the CSRs will refer the caller (through transferring or providing the appropriate phone number or web URL) to the correct source as appropriate. They will escalate calls through an established escalation process.

While the new vendor can and will handle customer calls specifically related to COVID/RES assistance, deferred payment options and/or arrearage management programs, please note that the contact center is only one of several channels that Washington Gas has made available for its customers to obtain this very important information. Customers can locate this information on the Washington Gas website (e.g. washingtongascares.com), they can learn/enroll in our 12-month deferred payment option via our self-service IVR system, customer eService portal and our electronic bill notifications. In addition, we frequently share assistance information through various customer outreach methods (e.g. direct mail, electronic notification, outbound calls, and SMS messaging).

¹⁶ See also Confidential Appendix 2, Section 2.

- (13) ***How the new vendor will interface with the DC Department of Energy and Environment (“DOEE”) to process and recruit eligible customers for participate in RES.***

Washington Gas interfaces with DOEE through multiple channels. One of the channels is by phone which is handled by the new vendor. DOEE also has access to the Washington Gas energy assistance portal which allows them to access customer bill information as needed, transmit customer assistance information for review and submit energy assistance pledges. In addition, we also have a dedicated energy assistance mailbox (e.g. energyassistance@washgas.com) which DOEE along with other energy assistance agencies utilize to interface with Washington Gas.

- (14) ***A description of how the new vendor is utilizing remote work practices for its call center reps, its workforce retention practices, and its contingency plans for managing through labor disruptions from emergent pandemic conditions.***

The MSA sets forth attrition rate goals of no more than 20% annually or 4% in any month. Sutherland will provide quarterly reports on attrition rate. If the attrition rate exceeds those amounts or Washington Gas believes that a degradation in service may be caused by attrition, Sutherland, upon the Company’s request will submit a proposal to reduce the attrition rate to an acceptable level.

In addition, Sutherland intends to utilize Work From Home (“WFH”) staff in order to meet its resource requirements to adequately staff the call center. The MSA defines Sutherland personnel locations that are not located at a service center as a “WFH Service Delivery Center. Section 3.2(d) of the MSA (Confidential Appendix 1) states:

All Services performed from any WFH Service Delivery Center will be subject to, and performed in accordance with, the applicable Operating Procedures and the Work From Home Policy set forth in Confidential Appendix 1, Exhibit 4 (Washington Gas Policies and Service Provider will ensure that all Service Provider Personnel performing such Services comply with the WFH Policies.

VI. WASHINGTON GAS’S CONTINGENCY PLAN

In addition to the robust CAP described in the section above, which aligns with the Company’s contract with Sutherland, Washington Gas is concurrently developing additional contingency measures that may be deployed to either augment or replace

activities provided by Sutherland in order to ensure compliance with service standards.

These measures may include:

- Consider building a solution with a surge call center (virtual BPOs with significant flexible work force who work as their schedule allows).
- Consider increasing the 70+ Washington Gas temporary contractor resources (noted in the Staffing item in the CAP) scheduled to take calls in Q4 2021 to provide incremental support.

VII. CONCLUSION

As directed by the Commission, the Company, beginning with the data for September 2021, will report monthly on performance with respect to §3704.6 and §3704.8.¹⁷ Washington Gas will also keep the Commission informed of any events or occurrences that might impact the timeline or schedule established for compliance with the customer call answering and call abandonment requirements.

Respectfully submitted,



Counsel for Washington Gas

Karen M. Hardwick, General Counsel and Senior Vice President
John C. Dodge, Assistant General Counsel
Meera Ahamed, Associate General Counsel

1000 Maine Avenue, Suite 700
Washington DC, 20024

September 27, 2021

¹⁷ Order No. 21017 at 5 (Paragraph 9).

FC 977

Order No. 21017 Compliance for CAP

Appendix 1 - MSA

CONFIDENTIAL

FC 977

Order No. 21017 Compliance for CAP

Appendix 2 – SOW 1

CONFIDENTIAL

FC 977

Order No. 21017 Compliance for CAP

Appendix 3 – SOW 2

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FC 977

Order No. 21017 Compliance for CAP

Appendix 4 – SOW 3

CONFIDENTIAL

Key Performance Indicator	Description	Measurement Methodology	Measurement Tool	Service Level Target*	Critical SL	Comments
WGL (Utility) - Sutherland Global Service Level Targets						
SOW 1 - Contact Center Services						
Non-Emergency Service Level Monthly	Percent of offered calls answered within 20 seconds for the month	(# Calls Offered Answered within 20 seconds for the month / Total Calls Offered for the month)	Sutherland Connect	> 80% w/in 20 secs	Y	SLA target will be 80/30 until 12/31/21 and 80/20 thereafter. Calculation excludes short abandons. (Short Abandons is defined as any call dropping prior to 30 seconds through 12/31/21 and prior to 20 seconds thereafter)
Emergency Service Level	Percent of offered emergency calls answered within 20 seconds for the month	(# emergency Calls Offered Answered within 20 seconds for the month / Total Calls Offered for the month)	Sutherland Connect	> 98% w/in 20 secs	Y	Measurement should exclude short abandons from the calculation
Abandon Rate (ABA)	Percentage of Calls abandoned after being offered to agent queue	(# Calls Abandoned Post-IVR / Total calls Offered) x 100	Sutherland Connect	< 3%	Y	Measurement should exclude short abandons from the calculation
CSAT - Overall (OSAT)	Specific question on post-contact survey related to overall satisfaction (question #4), all customer types, all call types, expressed as a percent	Results from question #4 - What is the overall level of satisfaction with the way WGL Energy handled your inquiry?	Sutherland Connect	≥ 90%	Y	Expectation that surveys are done for each channel including email, chat, phone, and IVR
Service Level Daily (SLD)	Percent of offered calls answered within 60 seconds for the day	(# Calls Offered Answered within 60 seconds for the Day / Total Calls Offered for the Day)	Sutherland Connect	> 60 % w/in 20 secs (daily)		
CSAT - Advocate (CSATA)	Specific question on post contact survey related to satisfaction with representative (question #1), all customer types, all call types, expressed as a percent	Results from question #1 - How satisfied are you that the representative who handled your call was professional	Sutherland Connect	≥ 90%		Expectation that surveys are done for each channel including email, chat, phone, and IVR
Average Speed of Answer (ASA)	Average number of seconds it takes for calls to be answered after being offered to agent queue; expressed in seconds	(Total Initial Post-IVR Wait Seconds of all Calls Offered / # of Inbound Calls Answered)	Sutherland Connect	< 30 secs		
Average Handle Time (AHT)	Average time callers are on the line during calls, expressed in seconds	# Secs calls last/ Total # Calls Handled)	Sutherland Connect	400 seconds		
QA Monitoring Average Score (QA)	Average score of all inbound and outbound calls scored; expressed as a percent	Total points achieved of all calls scored / # calls scored	Sutherland SQMS	90%		
First Call Resolution	Success rate in addressing caller needs on initial call, expressed as a percent	(# customers whose issue is resolved on first call / total # of calls) x 100	Sutherland Connect	75%		
Network Uptime (system, telephony)	Average percentage of time the network was working properly	(# of mins network was up / # mins contact center network should have been operational)	SevOne, Thousand Eyes, AppNeta, and HP Openview	> 99.9%		
Correspondence Service Level	Initial Reply Response Resolution	a) Immediate automated reply setting expectation b) Initial response – number of items received and responded to within 24 hours divided by the total number of items received c) Resolution time – Number of items resolved and response sent divided by total number of items received	Washington Gas SAP	a) immediate b) 100% w/in 24 hours c) 100% w/in 72 hours on average		
SOW 2 - Billing						
Key Performance Indicator	Description	Measurement Methodology	Measurement Tool	Service Level Target*	Critical SL	Comments
Billing Exception Timeliness	% of Exceptions and/or Inquires Corrected/Resolved on time	Number of exceptions and/or Inquiry corrected/resolved/escalated to WGL on time divided by the number of exceptions *Correct/Escalate to WG all billing exceptions within the prescribed schedule	Washington Gas applications (eg: SAP,...)	98.0% complete w/in 5 days and 100% complete w/in 20 days	Y	
Billing Accuracy	% of Accounts Billed Accurately	(NUMBER OF CANCELS) ÷ (TOTAL ACCOUNTS BILLED)	Washington Gas SAP	99%	Y	As discussed on 25th May We will retain the proposed measure. During the baseline period, we will review if there is a need to analyze reasons for cancellations & include only those which are in Sutherland's control, we will discuss change in measurement methodology for

Billing Rate Validation	Validates that the system calculations and technology data inputs supplied by WG for non-interruptible bills are working as designed and identifies any issues for remediation	(number of bills manually calculated that match the corresponding system calculated bills) divided by (number of system calculated bills)	Washington Gas SAP	100%	y	
Maintenance of customer records accurately	Update the customer master accurately within x business days	(number of customer masters updated accurately within x days) / total customer master changes requested in the month)	Washington Gas SAP	100%		This is a metric suggested by Sutherland (not requested by WGL). WGL is interested in receiving for information purposes but it has been noted as non-critical and may be further defined over time
Validating meter data	Accurately validate meter data against existing customer data	Number of customer meter data accurately entered / Total customer Meter data	Washington Gas SAP	95%		This is a metric suggested by Sutherland (not requested by WGL). WGL is interested in receiving for information purposes but it has been noted as non-critical and may be further defined over time
Validating Customer tariff	Ensure that the customer tariff is entered accurately	No. of instance of incorrect tariff entered in bills / total bills raised for the month	Washington Gas SAP and the feedback from customer and WGL	98%		This is a metric suggested by Sutherland (not requested by WGL). WGL is interested in receiving for information purposes but it has been noted as non-critical and may be further defined over time
Query management	Manage queries on bills with-in xx business days	No. of queries answered within xx business days / No. Of queries received overall	TBD	98%		This is a metric suggested by Sutherland (not requested by WGL). WGL is interested in receiving for information purposes but it has been noted as non-critical and may be further defined over time
SOW 3 - Credit and Collection Services						
Key Performance Indicator	Description	Measurement Methodology	Measurement Tool	Service Level Target*	Critical SL	Comments
Timeliness of Payment Investigations	Timely completion of all customer initiated check and electronic payment investigations.	(Number of Service Provider controllable customer payment investigations complete within 7 Business Days of receipt) divided by (Total number of controllable customer payment investigations requested).	Washington Gas SAP	95%	y	This is a monthly report Controllable means investigations that Sutherland can actually access and act on
Timely and Accurate Handling of Reconciliation Items	Timely and Accurate Handling of reconciliation items in accordance with applicable procedures.	(Number of reconciliation items identified by WG or Service Provider correctly resolved by Service Provider prior to the subsequent reconciliation cycle) divided by (number of reconciliation items received by the tenth (10th) Business Day of the month)	Washington Gas SAP	95%	y	This is a monthly report
Timely investigation and processing of unidentified and unapplied funds	Completion of investigation and processing of unidentified and unapplied dollars received in accordance with applicable procedures	The dollar value of unidentified and unapplied monies, where the balance is calculated on the last business day of the month based on the G/L	Washington Gas SAP	<\$2.5M	y	This is a monthly report
Timely and accurate completion of returned items processed	Completion of processing and balancing of daily electronically returned items without error by EOD of receipt; paper returned items within 2 Business Days of receipt; OCA returned items within 10 Business Days of receipt in accordance with Procedures.	(number of daily electronically returned items processed and successfully balanced by EOD of date of receipt plus Number of paper returned items correctly processed and successfully balanced within 2 Business Days plus Number of OCA returned items correctly processed and successfully balanced within 10 Business Days) divided by (total number of returned items received and eligible to be processed within the	Washington Gas SAP	99%	y	This is a monthly report
Timely and accurate completion of processing and balancing of prior day cash	Accurate completion of processing and balancing of prior day cash	(number of Business Days prior day cash report was prepared in the month without error) divided by (number of Business Days the prior day cash report was prepared in the month)	Washington Gas SAP	99%	y	This is a monthly report
% of bankruptcy accounts appropriately Flagged, filing of proof of claim, and discharge and dismissals processed within the SAP billing system	Effectiveness measure of A/R management & compliance	(accounts flagged plus number of proof of claims filed plus number of discharges & dismissals processed) divided by (bankruptcy petitions received plus proof of claims received plus discharges & dismissals received)	Washington Gas SAP	100%	y	This is a monthly report

% of OCA (Outside Collection Agency) final bill account disputes/inquiries completed	Effectiveness measure of A/R management & compliance	(disputes and inquiries completed) divided by (disputes received)	Washington Gas SAP	100% completed within 25 calendar days	y	This is a monthly report We will retain monthly measure for calculations. The SLA will be computed on all completed cases within the reporting month. A case not completed in the given month will not be included in the SLA calculations of that month. Rather will be included in next month's calculations.
Energy Assistance	Accurately (i.e., with correct amount and account information) and timely post energy grants received electronically from the Energy Assistance Agencies for the District of Columbia, Maryland and Virginia and exceptions to qualified customers' accounts	(number of energy grants and exceptions accurately posted to customer accounts / (Number of energy grants and exceptions received)	Washington Gas SAP	All (100%) grants and exceptions processed within 2 Business Days	y	This is a monthly report
% of non-OCA, final bill account disputes/inquires completed	Effectiveness measure of A/R management & compliance	Disputes and inquiries completed divided by Disputes and inquiries received	Washington Gas SAP	95% completed within 30 days	y	This is a monthly report
% of AR Balance for GMA (Group Metered Apartments) accounts with balances > 180 days in age	Effectiveness measure of A/R management - AR Balance for GasOn accounts, excluding accounts with attorney collection firms, over 180 days should be less than 13% of the total outstanding A/R for GMA accounts	AR Balance for GMA accounts with balances > 180 days divided by Total AR Balance for GMA accounts	Washington Gas SAP	<13% of the outstanding A/R	y	This is a monthly report

7198 Offered	453 Accepted	00:15:34 AHT	81.56% Abandoned Rate %
0.00% Service Level %	02:31:08 ASA	00:13:14 Avg Engage Time	00:06:10 Avg Hold Time

Date	CM/Billing Enterprise (Kubra and BC	Offered	Accepted	ASA	Abandoned	Max Abandoned Time
20-Sep-21	WG_Eng_Collection_VQ	90	1	00:48:33	90	04:06:52
20-Sep-21	WG_Eng_EnergyAsst_VQ	7	0	00:00:00	7	01:38:01
20-Sep-21	WG_Eng_KeyAccount_VQ	1	0	00:00:00	1	01:25:41
20-Sep-21	WG_Eng_PaymentAgent_VQ	96	1	02:35:19	101	03:26:00
20-Sep-21	WG_Eng_ResBill_VQ	2375	159	03:16:19	2217	04:14:46
20-Sep-21	WG_Eng_ResService_VQ	3146	274	02:07:02	2921	02:50:01
20-Sep-21	WG_PayBill_ExtXfer_Kubra_VQ	886	0	00:00:00	2	00:00:03
20-Sep-21	WG_Spa_Collection_VQ	11	0	00:00:00	11	01:23:05
20-Sep-21	WG_Spa_PaymentAgent_VQ	22	0	00:00:00	22	00:56:22
20-Sep-21	WG_Spa_ResBill_VQ	263	6	01:25:15	257	03:29:23
20-Sep-21	WG_Spa_ResService_VQ	301	12	02:23:34	292	02:25:35

523 Offered	485 Accepted	00:04:31 AHT	8.24% Abandoned Rate %
76.86% Service Level %	00:00:22 ASA	00:08:11 Avg Engage Time	00:02:44 Avg Hold Time

Date	Emergency	Offered	Accepted	ASA	Abandoned	Max Abandoned Time
20-Sep-21	WG_Eng_Emergency_VQ	467	431	00:00:23	42	00:04:54
20-Sep-21	WG_Spa_Emergency_VQ	56	54	00:00:16	2	00:00:34

6204 Offered	452 Accepted	00:15:36 AHT	92.78% Abandoned Rate %
0.00% Service Level %	02:31:21 ASA	00:13:15 Avg Engage Time	00:06:10 Avg Hold Time

Date	CM/Billing (Collection/EnergyA Rem	Offered	Accepted	ASA	Abandoned	Max Abandoned Time
20-Sep-21	WG_Eng_KeyAccount_VQ	1	0	00:00:00	1	01:25:41
20-Sep-21	WG_Eng_PaymentAgent_VQ	96	1	02:35:19	101	03:26:00
20-Sep-21	WG_Eng_ResBill_VQ	2375	159	03:16:19	2217	04:14:46
20-Sep-21	WG_Eng_ResService_VQ	3146	274	02:07:02	2921	02:50:01
20-Sep-21	WG_Spa_PaymentAgent_VQ	22	0	00:00:00	22	00:56:22
20-Sep-21	WG_Spa_ResBill_VQ	263	6	01:25:15	257	03:29:23
20-Sep-21	WG_Spa_ResService_VQ	301	12	02:23:34	292	02:25:35



Dear Valued Customer,

As we communicated recently, Washington Gas is working hard to improve our customer experience to reduce the unacceptably long hold times many of you have been experiencing. Our goal is to deliver the best possible service to you, and we know it has been a frustrating few months for customers who have tried to reach us. We hear you, and we value you, and we have several improvements under way to make things right.

New Virtual Hold Feature Begins This Week

I'm pleased to share with you that we are implementing our virtual hold tool so that you no longer have to wait in the queue for a customer representative to answer. We will save your place in line and call you back. We ask for your patience as we roll out this technology. For now, it may take up to 24 to 48 hours to return your call, but you will not have to wait on hold at all.

New Call Center Hours Begin September 27

To ensure we have more representatives available to assist you during the peak times of the day, we are adjusting our Call Center hours effective September 27.

- Monday: 8 a.m. - 8 p.m.
- Tuesday – Friday: 8 a.m. – 6 p.m.
- Saturday: 8 a.m. – 12 p.m.

Our Emergency Call Center is always available 24 hours a day, 7 days a week at 844-WASH-GAS (927-4427) for emergency situations such as gas odor calls. In any gas emergency, please call both 911 and Washington Gas.

No Disconnections or Late Fees through December 31, 2021

While we work to strengthen our customer service capabilities, we are suspending residential customer disconnections across our service territories in Maryland, Washington, D.C., and Virginia, as well as late fees, through the end of this year.

We want to emphasize to customers that if you do receive a cut off, late fee or collections notice during this time, you do not have to contact Washington Gas, since we are suspending these actions.

We Are Here to Help with Payment Plans and Energy Assistance

A reminder for those facing financial hardship, especially during Covid-19, we offer a variety of payment plans and energy assistance programs. You can find out more about these services at www.WashingtonGasCares.com.

Customer Experience Transformation Updates

We appreciate your patience as we work every day to transform our customer service experience. We are committed to keeping you updated about our improvement efforts through communications like this and on our website at www.washingtongas.com. Thank you for being a valued customer. We will make things right to ensure that you have the exceptional customer service you expect and deserve.

Sincerely,

Michelle Musgrove

Michelle Musgrove
Vice President, Customer Experience



CERTIFICATE OF SERVICE

I, the undersigned counsel, hereby certify that on this 27th day of September 2021, I caused copies of the foregoing "Corrective Action Plan - Public" to be hand-delivered, mailed, postage-prepaid, or electronically delivered to the following:

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