

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA
1325 G STREET, N.W., SUITE 800
WASHINGTON, D.C. 20005**

ORDER

September 15, 2021

**FORMAL CASE NO. 977, IN THE MATTER OF THE INVESTIGATION INTO THE
QUALITY OF SERVICE OF WASHINGTON GAS LIGHT COMPANY, DISTRICT OF
COLUMBIA DIVISION, IN THE DISTRICT OF COLUMBIA,**

AND

**FORMAL CASE NO. 1142, IN THE MATTER OF THE MERGER OF ALTAGAS LTD.
AND WGL HOLDINGS, INC., Order No. 21017**

I. INTRODUCTION

1. By this Order, the Public Service Commission of the District of Columbia (“Commission”) directs Washington Gas Light Company (“WGL” or “Company”) to submit a corrective action plan within 10 days of the date of this Order to immediately bring the Company into compliance with the Natural Gas Quality of Service Standards (“NGQSS”) prescribed by Title 15 of the *District of Columbia Municipal Regulations* (“DCMR”) §§ 3704.6¹ and 3704.8.² The Company is directed to make a member of its Senior Leadership team available for a status call on September 29, 2021, to answer questions and brief the Commissioners, Staff, and the Office of the People’s Counsel (“OPC”) on its progress and a date certain by which the Company will fully comply with the call response time standards. The Commission reserves the option to schedule additional status calls until such time as the Company meets the call response time standards. Upon the lifting of the utility disconnection moratorium, WGL shall not disconnect gas customers for non-payment until the Company complies with Sections 3704.6 and 3704.8 of the NGQSS or such time as the Commission otherwise determines. In addition to the quarterly reporting, the Commission directs WGL to now report monthly on its compliance with Commission Rules 3704.6 and 3704.8. WGL shall file its monthly report within 15 days after the end of each month. The Commission also directs the Company to file, within 30 days of the date of this Order, a

¹ 15 DCMR § 3704.6 (2019) states:

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) states [t]he 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.

breakdown of all call center expenses for 2019, 2020, and year-to-date 2021. Finally, the Commission suspends the technical conference required by Order No. 20780.³

II. BACKGROUND

2. The issue before us concerns WGL's declining call center performance, as previously documented in this case.⁴ Under the Commission's rules, WGL is required to answer 70% of all customer phone calls within 30 seconds and keep its call abandonment rate below 10%. The Company files both annual and quarterly reports. As part of its 2020 Annual NGQSS Report, WGL conceded that it had not met these requirements but requested that we not impose any penalties because the COVID-19 pandemic was negatively affecting its customer service provider's ability to recruit and retain employees.⁵ The Company represented that it would reach full compliance no later than March 31, 2021.⁶ By Order No. 20780, issued July 30, 2021, the Commission granted WGL's request but directed that a technical conference be convened to discuss improving WGL's performance.⁷

3. Before a technical conference was scheduled, the Company filed its quarterly NGQSS Report for the period ending June 30, 2021.⁸ According to the Company, it was only 9.47% compliant with the Commission rule requiring the Company to answer 70% of all customers' phone calls within 30 seconds and had a call abandonment rate of 54.3%.⁹ The Company represented that it will resolve this problem by transitioning to a new customer service provider by the end of the third quarter of 2021.¹⁰

4. On September 2, 2021, OPC sent a letter to Chairman Phillips expressing concern and requesting assistance to help consumers reach WGL.¹¹ According to OPC, consumers have

³ *Formal Case No. 977, In the Matter of the Investigation into the Quality of Service of Washington Gas Light Company, District of Columbia Division, In the District of Columbia ("Formal Case No. 977")*, Order No. 20780, ¶ 21, rel. July 30, 2021.

⁴ *See e.g. Formal Case No. 977; Formal Case No. 1142, In the Matter of the Merger of AltaGas Ltd. And WGL Holdings, Inc. ("Formal Case No. 1142")*.

⁵ *Formal Case No. 977*, Order No. 20780, ¶ 13, citing WGL 2020 Annual NGQSS Report 21-22.

⁶ *Formal Case No. 977*, Order No. 20780, ¶ 13, citing WGL 2020 Annual NGQSS Report 21-22.

⁷ *Formal Case No. 977*, Order No. 20780, ¶ 18.

⁸ *Formal Case No. 977*, Washington Gas Light Company's Quarterly Report, July 30, 2021 ("WGL Quarterly Report").

⁹ *Formal Case No. 977*, WGL Quarterly Report.

¹⁰ *Formal Case No. 977*, WGL Quarterly Report.

¹¹ *Formal Case No. 977 and Formal Case No. 1142*, Letter from Sandra Mattavous-Frye, People's Counsel for the District of Columbia to Willie L. Phillips, Chairman, Public Service Commission of the District of Columbia, September 2, 2021 ("OPC Letter").

reported waiting hours to speak with a WGL representative.¹² As a result, consumers are unable to establish payment plans and fear they will be disconnected when the statutory moratorium on disconnections ends as winter approaches or find themselves unable to set up new services.¹³

5. On September 3, 2021, WGL sent a response letter to Chairman Phillips.¹⁴ WGL asserts that it is “acutely aware” of the problem and is addressing it by transitioning to a new customer contact center. WGL states that customers will see reduced wait times by mid to late September as the new contact center provider ramps up hiring and training. The Company further states that it has an automated response system available for customers to set up payment arrangements that require no money down, no security deposit, and subsequently, no agent intervention. WGL asserts that this permits consumers to resolve overdue accounts and prevent disconnection without waiting to speak to a customer service representative. The Company concludes that any potential lifting of the moratorium on disconnections by the District of Columbia (“District”) will coincide with a fully staffed Call Center.

III. DISCUSSION

6. Commission Staff has independently tested WGL’s call system and experienced the same extensive delays that have plagued consumers. The automated response system option for establishing payment arrangements was similarly frustrating because it required waiting the same inordinate period of time to talk to an agent. Although we recognize that WGL is transitioning to a new provider, this intolerable situation must be corrected as quickly as possible. To that end, we direct WGL to make a member of its Senior Leadership team available on September 29, 2021, for a status call to answer questions and brief the Commissioners, Staff, and OPC. WGL shall be prepared to provide the Commission and OPC with the date by which the Company will be fully compliant with the NGQSS call center standards. The Commission reserves the option to schedule additional status calls until such time as the Company meets the call response time standards. These directives render the technical conference unnecessary, and therefore, the Commission hereby suspends the technical conference directed in Order No. 20780.

7. Further, the Company is directed to submit a corrective action plan within ten (10) days of the date of this Order to immediately bring the Company into compliance with the NGQSS prescribed by Commission Rules 3704.6 and 3704.8. The corrective action plan shall include, but is not limited to the following: (1) the name and location of service center(s); (2) overall transition and conversion plans from the existing vendor to the new vendor with specific milestones and schedules; (3) service level agreement targets and related performance metrics during the transition period and thereafter with sufficient granularity; (4) vendor recruiting, training and onboarding plans for its customer service representatives (including plans to handle higher call volumes associated with the winter heating season); (5) data and cybersecurity integrity and protection plan and capability; (6) specific steps the vendor will utilize to track and remediate service level gaps

¹² *Formal Case No. 977 and Formal Case No. 1142, OPC Letter.*

¹³ *Formal Case No. 977 and Formal Case No. 1142, OPC Letter Attachment.*

¹⁴ *Formal Case No. 977 and Formal Case No. 1142, Washington Gas Light Company’s Letter to Willie L. Phillips, Chairman, Public Service Commission of the District of Columbia, September 3, 2021 (“WGL Letter”).*

as they arise; (7) the specific process the vendor will utilize to handle emergency calls versus non-emergency calls; (8) call center technological solutions the vendor will utilize as compared to best practices; (9) sample copies of reports provided by the vendor to WGL regarding monitoring the vendor's service; (10) the specific process for handling customers complaint escalation transactions; (11) detailed explanation of how the vendor's call answering service/software will interface with WGL's billing, work management, and outage management systems; (12) a detailed explanation of how the new vendor will handle the COVID-related payment assistance programs, including deferred payment agreements, the arrearage management program, and the expansion of the Residential Essential Service ("RES"); (13) how the new vendor will interface with the DC Department of Energy and Environment ("DOEE") to process and recruit eligible customers for participation in RES; and (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.

8. The statutory disconnection moratorium will end on October 12, 2021. However, we are directing WGL not to disconnect customers after that date unless it has brought its call center into compliance with Commission Rules 3704.6 and 3704.8. With regard to the costs that this imposes on WGL, by Order No. 20329, the Commission previously permitted WGL to create a regulatory asset account to record the prudently incurred incremental costs associated with COVID-19 that occurred during the Mayor's declared public health emergency and 15 days thereafter.¹⁵ The Mayor's declared public health emergency ended on July 25, 2021, and the 15 days have passed.¹⁶ Accordingly, costs incurred by complying with this Order are not to be included in the Company's COVID-19 regulatory asset. Such costs can be addressed in a rate case and WGL has advised the Commission of its intent to file a rate case in the very near future. Although we cannot stop the Company from seeking a rate increase, the Company is on notice that any petition for a rate increase may be held in abeyance either at the request of a party or by the Commission, *sua sponte*, until this performance issue is satisfactorily addressed.

9. Finally, to assist the Commission in evaluating the reasonableness of the Company's rates and the prudence of the Company's investments in call center operations and service providers, the Commission directs the Company to file, within thirty (30) days of the date of this Order, a breakdown of all call center expenses for 2019, 2020, and year-to-date 2021. These reports shall also be provided to Commission Staff and OPC in both PDF format and a searchable excel spreadsheet with formulas intact. The breakdown should include, but not be limited to, the following: Company labor and benefit expenses; contractor and/or consultant expenses; communications equipment expenses; hardware and software related expenses; appropriate overhead expenses as well as vendor conversion, transition, and termination expenses. Additionally, the Company should disclose the names of any firms providing call center services, the date of transition to or from each vendor, average call wait time by month, and the number of call wait times that exceed 30 minutes but less than 1 hour, 1 hour but less than 2 hours, and 2 hours or more by month. In addition to the quarterly reporting, the Commission directs WGL to now

¹⁵ *GD2020-01, In the Matter of the Establishment of Regulatory Assets for COVID-19 Related Incremental Costs*, Order No. 20329, ¶ 4, rel. April 15, 2020.

¹⁶ *See DC Act 24-0125, Public Emergency Extension and Eviction and Utility Moratorium Phasing Emergency Amendment Act of 2021*, effective July 24, 2021.

report monthly on its compliance with Commission Rules 3704.6 and 3704.8. WGL shall file its monthly report within fifteen (15) days after the end of each month. Finally, the Company shall report monthly answering service and call abandonment rates consistent with the NGQSS standards.

THEREFORE, IT IS ORDERED THAT:

10. The Commission **DIRECTS** Washington Gas Light Company to submit a corrective action plan within 10 days of the date of this Order to immediately bring the Company into full compliance with the Natural Gas Quality of Service Standards prescribed in 15 DCMR §§ 3704.6 and 3704.8;

11. The Commission hereby **DIRECTS** Washington Gas Light Company to make a member of its Senior Leadership team available for a status call on September 29, 2021, to answer questions and brief the Commissioners, Staff, and the Office of the People’s Counsel on its progress and a date certain by which the Company will fully comply with the call response time standards consistent with paragraph 6 of this Order;

12. The Commission hereby **DIRECTS** Washington Gas Light Company to file the requested information within 30 days of the date of this Order and quarterly thereafter consistent with paragraph 9 of this Order;

13. The Commission hereby **DIRECTS** Washington Gas Light Company to suspend non-payment disconnections consistent with paragraph 8 of this Order;

14. In addition to the quarterly reporting, the Commission **DIRECTS** Washington Gas Light Company to now report monthly on its compliance with Commission Rules 3704.6 and 3704.8, and shall file its monthly report within 15 days after the end of each month consistent with paragraph 9 of this Order; and

15. The Commission **SUSPENDS** the technical conference directed by Order No. 20780.

A TRUE COPY:

BY DIRECTION OF THE COMMISSION:



CHIEF CLERK:

**BRINDA WESTBROOK-SEDGWICK
COMMISSION SECRETARY**