

BEFORE THE

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IDAHO PUBLIC UTILITIES COMMISSION

IDAHO PUBLIC
UTILITIES COMMISSION

IN THE MATTER OF INTERMOUNTAIN)
GAS COMPANY'S APPLICATION TO)
CHANGE ITS RATES AND CHARGES)
FOR NATURAL GAS SERVICE.)

CASE NO. INT-G-16-02

DIRECT TESTIMONY OF DANIEL KLEIN

IDAHO PUBLIC UTILITIES COMMISSION

DECEMBER 16, 2016

1 Q. Please state your name and business address for
2 the record.

3 A. My name is Daniel Klein. My business address
4 is 472 West Washington Street, Boise, Idaho 83702.

5 Q. By whom are you employed and in what capacity?

6 A. I am employed by the Idaho Public Utilities
7 Commission (Commission) as a Utilities Compliance
8 Investigator in the Consumer Assistance Section.

9 Q. What is your educational and professional
10 background?

11 A. Prior to my employment with the Commission, I
12 had three years of experience working in private industry
13 for Qwest Corporation as a Sales Consultant in Boise,
14 Idaho. I received a Bachelor of Arts Degree in
15 Communication from Boise State University in Boise,
16 Idaho, in May 1998.

17 Q. Have you previously testified before the
18 Commission?

19 A. Yes.

20 Q. What is the purpose of your testimony in this
21 proceeding?

22 A. The purpose of my testimony is to present
23 Staff's position on the following consumer issues:

- 24 1. Payment methods;
25 2. Convenience fees;

- 1 3. Pay stations;
- 2 4. Customer Service Center performance;
- 3 5. The new Customer Information System;
- 4 6. The Customer Notice and Press Release filed
- 5 in this case;
- 6 7. Customer relations; and
- 7 8. Credit and collection activity reports.

8 Q. Are you sponsoring any exhibits with your
9 testimony?

10 A. Yes, I am sponsoring Exhibit Nos. 118 and 119.

11 Q. Please summarize Staff's recommendations as
12 they relate to consumer issues.

13 A. In summary, Staff recommends that Intermountain
14 Gas Company (the Company): (1) Eliminate convenience
15 fees for its residential customers; (2) Cover the cost of
16 accepting payments at authorized Western Union pay
17 stations; and (3) File monthly credit and collection
18 activity reports with the Commission.

19 **PAYMENT METHODS**

20 Q. Does the Company track payment methods used by
21 customers?

22 A. Yes. Intermountain Gas provided Staff with
23 historical data regarding bill payment. Payment by mail
24 is still the most common way that bills are paid,
25 followed by online bill payment services provided through

1 customers' banks or other financial institutions.

2 Some data requested by Staff was not available.
3 The Company stated that it previously used BillMatrix as
4 its third-party vendor for handling payment transactions
5 by phone, but that in March 2016, it migrated to
6 SpeedPay, another third-party payment vendor. As a
7 result, the Company claims it no longer has access to
8 historical data that provides detailed information about
9 the payment methods and channels used by customers to
10 make payment through BillMatrix. However, Intermountain
11 Gas indicated that it did know the total number of
12 payments made through BillMatrix for each of the past two
13 years: 163,597 in 2014 and 144,625 in 2015. See Company
14 response to Staff Production Request No. 159.

15 **CONVENIENCE FEES**

16 Q. Does Staff have any recommendations with regard
17 to convenience fees that customers are charged for
18 certain payment transactions?

19 A. Yes. Customer paying by credit or debit card
20 or authorized withdrawal from a checking or savings
21 account were historically charged \$2.75 per transaction
22 by BillMatrix and are currently charged \$1.99 by
23 SpeedPay. Staff recommends that the Company eliminate
24 the \$1.99 convenience fee charged by SpeedPay to
25 Intermountain Gas' residential customers for handling

1 payment transactions by phone.

2 Staff also recommends that the Company file an
3 application with the Commission to provide its expected
4 costs to offer this free payment option. The Company may
5 request to defer those costs for later recovery through
6 rates. Based on the number of payment transactions
7 handled by the Company's former vendor, BillMatrix, in
8 2015 (144,625) and Avista's cost per transaction (\$1.50),
9 Intermountain Gas' annual cost would be approximately
10 \$217,000. See the Company's response to Staff Production
11 Request No. 159.

12 Q. Has any other regulated utility in Idaho
13 eliminated convenience fees?

14 A. Avista initiated a fee free payment program
15 this year (2016). See Case No. AVU-E-16-01, Order No.
16 33494.

17 Q. Please describe Avista's fee free payment
18 program.

19 A. Under Avista's fee free program, convenience
20 fees were eliminated for residential customers. Instead,
21 Avista pays associated transaction costs for payments
22 made through its third-party vendor. That transaction
23 cost (\$1.50) is much lower than the convenience fee
24 previously paid by Avista customers (\$3.50). Avista
25 defers and records the costs it incurs to offer the fee

1 free payment program for later recovery through rates.

2 Q. Why does Staff believe this is a good idea?

3 A. In the past, few utility customers used credit
4 cards to pay utility bills, and fewer still used debit
5 cards. Card use was viewed as a convenience rather than
6 a necessity, and utilities were reluctant to absorb the
7 costs of handling these transactions. Accordingly, the
8 customers who used the service paid for that privilege.

9 These practices have changed in recent years.
10 According to the 2013 Federal Reserve's Payment Study,
11 there has been a consistent decline in consumers paying
12 for goods and services by paper check, while debit and
13 credit card transactions have increased. Using a credit
14 or debit card to pay for products and services is now a
15 routine practice, and most businesses and service
16 providers, especially in the retail sector, no longer
17 charge convenience fees. As more customers come to rely
18 on payment by debit and credit cards, they become
19 frustrated by and object to paying an extra charge to pay
20 utility bills using their preferred method of payment.

21 In addition, convenience fees often have the
22 greatest impact upon society's most vulnerable
23 population, including low income individuals who struggle
24 to meet the basic necessities of daily living. According
25 to the 2013 FDIC National Survey of Unbanked and

1 Underbanked Households, 28% of U.S. households were
2 either unbanked or underbanked.

3 "Unbanked" persons lack a savings or checking
4 account and do not have a financial relationship with a
5 bank or credit union. Unbanked households have limited
6 options to avoid paying a convenience fee since most fee
7 free payment options require readily available cash.

8 "Underbanked" persons may have a checking or
9 savings account, but also use financial services for an
10 array of products such as check cashing services, pawn
11 shop loans and auto title loans - all of which charge
12 high interest rates. Underbanked persons may also use
13 credit and prepaid debit cards to pay their bills.

14 According to the Survey, 6% of Idaho households
15 were unbanked, and 19% were underbanked, for a combined
16 total of 25%, or 140,543 households. More than half of
17 the unbanked cite their inability to build up a reserve
18 in an account or maintain a minimum balance as the main
19 reasons they lack a bank account. Other contributing
20 factors include high fees, unpredictable and unknown
21 fees, distrust or dislike of banks, lack of ID, bad
22 credit, and poor past experiences. Age can also be a
23 factor; nationally, about half of people between the ages
24 of 18 and 24 are unbanked or underbanked due to lack of
25 established credit. Those who have a relationship with a

1 bank or credit union tend to rely on credit and debit
2 cards for financial transactions.

3 Q. What are the benefits to eliminating
4 convenience fees?

5 A. The Commission's Consumer Assistance Staff has
6 received complaints from utility customers about having
7 to pay convenience fees. Other utilities have confirmed
8 that most customers who consider paying by phone elect
9 not to when they understand that an additional fee will
10 be assessed. Eliminating the fee will provide customers
11 with more fee free payment options and will help lessen
12 the financial burden on customers who are struggling to
13 meet financial obligations.

14 The number of customers who do not pay their
15 bills on time will also likely decrease. Residential
16 customers who avoid paying by credit or debit card due to
17 the convenience fee may elect to do so if the fee is
18 eliminated. Therefore, customers will benefit by
19 avoiding the fee and the Company will benefit from
20 reduced costs associated with collection activity.

21 Staff notes that all payment methods for
22 utility services have transaction costs. Although these
23 costs have historically been recognized as prudent, Staff
24 believes that, in the current climate, it is
25 inappropriate to charge some individuals for their chosen

1 method of payment, while embedding the costs associated
2 with other methods into rates. Provided that the Company
3 is prudent in its selection of a third party vendor
4 (either retaining SpeedPay or selecting a different
5 vendor) and minimizes its costs, the transaction costs
6 associated with receiving payment for services should be
7 included in base rates.

8 In summary, removing the \$1.99 convenience fee
9 will bring the Company's payment practices in line with
10 other Idaho utilities, improve customer satisfaction, and
11 increase timely payments. Eliminating the convenience
12 fee will also add increased payment choice for customers.

13 **PAY STATIONS**

14 Q. Please explain what a pay station is.

15 A. In this context, a pay station is an entity
16 that collects bill payments from utility customers and in
17 turn, remits payment to the utility. A pay station that
18 provides this service under contract with a utility is
19 referred to as an "authorized pay station".

20 Q. Has Intermountain Gas contracted with Western
21 Union to handle payment transactions?

22 A. Intermountain Gas' parent company, MDU
23 Resources Group, Inc. (MDU), has a contract with Western
24 Union that covers all four of the utilities owned by MDU.

25 Q. Do any other regulated utilities use Western

1 Union to handle in-person payment transactions?

2 A. Yes, Avista and Idaho Power also use Western
3 Union as their pay station vendor. Although all three
4 companies use Western Union, Intermountain Gas is the
5 only Company that does not cover the cost of providing
6 the service.

7 Instead, Western Union charges Intermountain
8 Gas customers \$1.00 to process payments. This processing
9 charge is retained by Western Union. According to the
10 Company's response to Staff Production Request No. 159,
11 94,686 payments were made at Western Union pay stations
12 in 2015. Intermountain Gas does not accept cash payment
13 at Company offices, so customers must use pay stations
14 for cash transactions.

15 Q. Does Staff have any recommendations with regard
16 to pay stations?

17 A. Staff recommends that Intermountain Gas cover
18 the cost of accepting payment at authorized pay stations.
19 Currently Idaho Power and Avista both use Western Union
20 for their authorized pay stations; however, Western Union
21 does not charge Idaho Power and Avista customers a fee.
22 Instead, Idaho Power and Avista absorb the cost of
23 customers' payments made at authorized Western Union
24 payment stations. If the utility absorbs the transaction
25 fee, it pays a lower rate than would be assessed to

1 customers. For example, Idaho Power currently pays \$.80
2 per transaction and Avista pays \$.76.

3 The Company may request to defer, for later
4 recovery through rates, the costs associated with
5 offering free payment at authorized pay stations. Based
6 on Avista's cost (\$.76 per transaction) and the number of
7 transactions handled by Western Union in 2015 (94,686)
8 Intermountain Gas' annual cost would be approximately
9 \$72,000. See the Company's response to Staff Production
10 Request No. 159.

11 **CUSTOMER SERVICE CENTER PERFORMANCE**

12 Q. Please provide a brief description of the
13 Customer Service Center.

14 A. The primary Customer Service Center (CSC) is
15 located in Meridian, Idaho, and currently has about 108
16 customer service representatives (CSRs). A satellite
17 office in Bismarck, North Dakota, has eight CSRs. The
18 Credit and Collections Department is also located in
19 Bismarck. The CSC is open from 6am to 8pm, Mountain
20 Time, spanning the three time zones served (Central,
21 Mountain and Pacific). The CSC takes calls from Idaho
22 customers from 7am to 7pm Mountain Time. The CSC
23 provides customer service for all four utilities owned by
24 MDU Resources Group, Inc. (Intermountain Gas, Cascade
25 Natural Gas, Montana-Dakota Utilities and Great Plains

1 Natural Gas).

2 Q. What data does the Company collect to measure
3 CSC performance?

4 A. The Company tracks incoming calls received by
5 the CSC, speed of answer, service level, handling time,
6 and abandoned calls. The Company defines incoming calls
7 as calls that are handled through the IVR as well as
8 calls that are handled by CSRs. Speed of answer is the
9 interval between when a call reaches the Company's
10 incoming telephone system and when the call is picked up
11 by a CSR. Service level is the percentage of calls
12 answered within a certain number of seconds (e.g.,
13 answering 80% of all calls in 60 seconds or less).
14 Handling time is the average amount of time it takes for
15 a customer service representative to talk with a customer
16 plus any additional "off-line" time it takes to complete
17 the transaction or fully resolve the customer's issue(s).
18 Abandoned calls are calls that reach the Company's
19 incoming telephone system, but the calling party
20 terminates the call before speaking with a CSR.

21 Q. What is the Company's primary performance
22 objective for its CSC?

23 A. The Company's primary performance objective is
24 to answer 80% of its calls within 60 seconds. In Staff's
25 opinion, a service level objective of 80% of calls

1 answered within 60 seconds is reasonable. That
2 performance objective is consistent with the objectives
3 of other energy utilities serving Idaho customers.

4 Q. How has the CSC performed?

5 A. In general, the CSC has performed well. Of the
6 data provided for 2014, 2015 and January - August 2016,
7 the Company met or exceeded its service level objectives
8 in 23 of 32 months. Unfortunately, when Intermountain
9 Gas converted to the parent company's -MDU- new Customer
10 Information System, service levels declined and the
11 Company did not meet its performance objective. During
12 that seven month period, from August 2015 through
13 February 2016, service levels ranged from a low of 56.6%
14 to a high of 75.8%.

15 More recently, service levels have improved.
16 Staff Exhibit 118 shows all monthly and annual metrics
17 measuring CSC performance with respect to Idaho
18 customers.

19 **NEW CUSTOMER INFORMATION SYSTEM**

20 Q. Last year the Company changed its Customer
21 Information System (CIS). Please discuss that change and
22 how it has impacted customer service.

23 A. Again, Intermountain Gas migrated to MDU's
24 existing CIS in August 2015. Intermountain Gas' share of
25 MDU's total CIS cost was approximately \$8,800,000.

1 Intermountain Gas' previous stand-alone CIS was installed
2 in 2004 at a cost of \$4,400,000, and was no longer
3 supported by the company from which it was purchased.
4 The new CIS is now used and shared by all four MDU-owned
5 utilities. The common platform allows each CSC team
6 member to use identical technology and uniform procedures
7 when serving customers. The workload is shared among the
8 team members, providing additional flexibility for
9 workforce management and emergency response.

10 Q. Was any functionality lost in the conversion to
11 MDU's CIS?

12 A. Yes, some functionality was lost that was
13 useful to Customer Service Representatives (CSRs) and/or
14 beneficial to customers. In general, the new system is
15 less user-friendly, making it harder for CSRs to perform
16 some tasks or track information. For example, CSRs lost
17 the ability to make comments regarding a service address
18 that would stay attached to the service address
19 regardless of who the customer is at any particular point
20 in time. It is now more difficult to determine customer
21 chronology or usage history at a service address.

22 The ability to change the date that field
23 orders would be worked was lost, which was a beneficial
24 function when collection activity was under way. Under
25 the Company's old CIS, the date of disconnection could be

1 moved to a later date to allow additional time for
2 payments to be posted to an account. The ability for
3 payment plans to shelter debt and stop the collection
4 process was also lost, which has created the need for
5 more manual follow up to be done if payment is missed
6 under a plan.

7 Q. Was any functionality gained in the conversion
8 to MDU's CIS?

9 A. Yes. The new system is web-based rather than a
10 stand-alone software program. This makes it easier to
11 access from any computer, to navigate, and to use default
12 Windows-based shortcuts, such as copy and paste.

13 The new system has made it possible to automate
14 and standardize letters that are sent to customers.
15 Letters that have been sent to customers can also be
16 viewed online by all system users, providing easier
17 access to customer communications and enhancing the
18 ability to respond to customer questions that might
19 arise.

20 The new system also has the ability to provide
21 automatic email notification to customers. For example,
22 an email can be sent automatically to a property manager
23 or owner when a tenant discontinues service and
24 responsibility for payment of future bills reverts to the
25 account holder on a Continuous Service Agreement. This

1 allows timely notice to property managers or owners of
2 tenant actions and the resulting change in bill
3 responsibility.

4 Fees that are based on the time that orders are
5 placed now automatically bill at the correct rate and
6 don't have to be assigned manually. For example, if an
7 order is placed during business hours vs. after hours,
8 the system automatically bills at the correct rate. This
9 change improves billing accuracy.

10 Customers with large numbers of services can
11 now be grouped under one responsible person or entity.
12 In the Company's previous system, large-volume builders
13 or property managers were limited on how many service
14 locations could be combined under one account.

15 Customers can now add a 4-digit PIN for
16 verification and authentication when using online self-
17 service options. In the past, customers had to provide a
18 Social Security Number for identification purposes, to
19 which some customers objected.

20 The new system has also added the ability to
21 change or delay the due date of bills outside of the
22 customer's normal billing cycle. This provides customers
23 the opportunity to set a due date that corresponds with
24 the date they receive funds, which is particularly
25 advantageous to fixed-income customers.

1 Q. Has Staff drawn any conclusions about the
2 migration to MDU's CIS?

3 A. As mentioned previously, the switch to the new
4 CIS negatively affected CSC performance for several
5 months and resulted in some lost functionality. The new
6 system, however, introduced new functionality that, over
7 time, will increase efficiency, improve billing accuracy
8 and communication with customers, and resolve concerns
9 expressed by customers in the past about billing and
10 payment options.

11 That being the case, Staff maintains that the
12 positive outcomes of the migration outweigh the negative
13 outcomes and, therefore, the new system provides benefits
14 to both the Company and to Intermountain Gas' customers.

15 **CUSTOMER NOTICE AND PRESS RELEASE**

16 Q. Did Staff review the Customer Notice and Press
17 Release related to this case?

18 A. Yes. The Customer Notice and Press Release
19 were filed with the Company's application. Staff
20 reviewed both and determined that neither document
21 informed customers that written comments regarding the
22 Company's application could be filed with the Commission.
23 This requirement is outlined in Commission Rule 125.01
24 (IDAPA 31.01.01.125.01). When Staff notified the Company
25 of the omission on August 16, 2016, the Company corrected

1 the customer notice posted on its website and revised the
2 remaining notices being sent to customers.

3 In addition, the Customer Notice and Press
4 Release discussed two separate cases - its Purchase Gas
5 Cost Adjustment (PGA) case (INT-G-16-03) and its General
6 Rate Case (INT-G-16-02) - under the following caption:
7 "Intermountain Gas Company files for an overall decrease
8 to its prices."

9 Staff believes that it was inappropriate and
10 potentially misleading to focus customer attention on the
11 net impact of the two distinct cases. Although both
12 Applications were filed on the same day, one case
13 addresses an annual temporary rate adjustment based on
14 the Company's gas related costs, while the other
15 represents a permanent change in base rates, which has
16 not occurred since 1986. Staff notes that Rule 125.03 of
17 the Commission's Rules of Procedure provides that, "[t]he
18 information required by this rule is to be clearly
19 identified, easily understood, and pertain only to the
20 proposed rate change." See IDAPA 31.01.01.125.03.

21 In summary, the Commission's final order for
22 the Company's now completed PGA Case (INT-G-16-03, Order
23 33604), addressed this issue as follows:

24 The Commission's rules require that customer
25 notices clearly identify a utility's
proposal(s) in a way that can be easily
understood. IDAPA 31.01.01.125.03. The

purpose of this rule is to encourage wide dissemination to customers of the proposed rate change and allow customers to participate in the proceedings before the Commission. IDAPA 31.01.01.125. Combining notice of an annual rate adjustment with a proposal to permanently increase base rates did not produce the clarity called for in the Rules of Procedure. In the event of future simultaneously-filed applications, we direct the Company to strictly adhere to the language and intent of our customer notice rule.

Order No. 33604 at 3.

CUSTOMER RELATIONS

Q. Please describe how many and what type of complaints and inquiries the Commission has received regarding Intermountain Gas between 2013 and 2015.

A. The following chart shows the number of informal complaints and inquiries received over the past four years:

INTERMOUNTAIN GAS COMPLAINT & INQUIRY TOTALS 2013-2016

	2013	2014	2015	2016*
Credit & Collections	77	81	51	33
Line				
Extension/Installation	5	4	2	1
Service Outage/Repair	1	0	3	2
Billing	29	33	28	28
Rates & Policies	23	10	14	9
All Other	18	11	18	13
Total	153	139	116	86

* January - November

1 Q. What did your analysis of complaints and
2 inquiries received by the Commission from 2013 to 2016
3 YTD show?

4 A. The highest general category is Credit and
5 Collections. This category includes customer issues
6 related to denial of service, disconnection, and
7 deposits. The majority of complaints and inquiries in
8 this category were from customers who had been
9 disconnected due to non-payment or had been notified that
10 they were in jeopardy of losing their service due to non-
11 payment. In many instances, customers needed assistance
12 in making payment arrangements, identifying resources for
13 financial assistance, or obtaining a medical emergency
14 certificate.

15 Billing was the next highest category. This
16 category includes such issues as billing errors, meter
17 malfunction or failure, and high bills. Complaints and
18 inquiries about rates and policies was the third highest
19 category. This category includes such issues as rates,
20 operating procedures, and customer service.

21 Q. What are the current complaint trends?

22 A. The Commission has received fewer complaints
23 and inquiries about Intermountain Gas for each period
24 analyzed. Complaints and inquiries about deposits have
25 been declining since 2015. There were a significant

1 number of complaints and inquiries about disconnection of
2 service in 2013-2015, but the number has decreased thus
3 far in 2016.

4 Staff notes that the number of complaints and
5 inquiries regarding service outages and repair issues
6 have been consistently low over time, which reflects the
7 Company's continued commitment to provide safe and
8 reliable service to its customers.

9 Another issue that has continued to show up at
10 a consistent level are complaints and inquiries about
11 rebilling of usage due to meter failure or malfunction.
12 If a customer's meter fails to register any usage, for
13 example, and bills the customer based on zero usage, the
14 Company will rebill the customer based on its estimate of
15 usage during the period of time when the meter was not
16 operational.

17 A new issue that arose this year was an
18 increase in the number of payments coming to the
19 Commission instead of Intermountain Gas. The Company
20 indicated that the problem appeared to arise from its
21 disconnect notice and has committed to changing the
22 notice to make the Company's address more prominent,
23 although no changes have yet been made.

24 Q. To what might Intermountain Gas' declining
25 number of complaints and inquiries each year be

1 attributed?

2 A. Intermountain Gas' declining number of
3 complaints and inquiries filed with the Commission may be
4 the result of significant changes in the way the Company
5 provides customer service. As discussed above, the new
6 Customer Service Center and Customer Information System
7 required a substantial amount of planning and training,
8 which no doubt have been beneficial in the longer term.
9 It appears the Company is increasing efforts to work with
10 its customers to come up with acceptable payment
11 arrangements and generally help customers keep their
12 service connected.

13 **CREDIT AND COLLECTION ACTIVITY**

14 Q. What is Staff's recommendation with respect to
15 reporting credit and collection activity?

16 A. Staff recommends that Intermountain Gas file
17 monthly reports with the Commission similar to the
18 reports that Avista, Idaho Power and Rocky Mountain Power
19 already submit. Staff Exhibit No. 119 includes recent
20 reports submitted to the Commission from those utilities
21 as examples.

22 Q. What purpose do these reports serve?

23 A. The reports include information on arrearages,
24 disconnection and reconnection of service, unpaid debt,
25 and energy usage. They are used to better understand

1 residential customer behavior with respect to payment of
2 bills and response to utility collection activity. The
3 reports differentiate between low income and non-low
4 income customers to determine whether low income
5 customers are disproportionately affected by a utility's
6 credit and collection practices. The reports also enable
7 Staff to monitor the impact of allowing Idaho Power,
8 Avista, and Rocky Mountain Power to disconnect service
9 without knocking on customer doors. See Case No.
10 GNR-U-14-01, Order No. 33229.

11 Q. Does this conclude your direct testimony in
12 this proceeding?

13 A. Yes, it does.
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Intermountain Gas Company CSC Metrics

2014

IGC	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
ACD Calls (Including IVR)	54231	46249	53053	49302	43719	41295	40715	32970	29038	39532	33323	36973	500400
Avg Speed of Answer	:55	:27	:31	:14	:16	:19	:14	:10	:13	:32	:44	:26	:26
Avg Service Level	71.7%	84.4%	83.6%	91.8%	90.2%	88.6%	91.3%	94.0%	92.2%	81.1%	79.4%	88.7%	86.4%
AvgHandlingTime	4:30	4:28	4:23	4:37	4:42	4:53	5:03	5:09	5:06	5:10	5:09	4:41	4:47
Abandoned Calls	3878	1096	1289	1010	860	813	796	550	334	1440	2222	848	15136

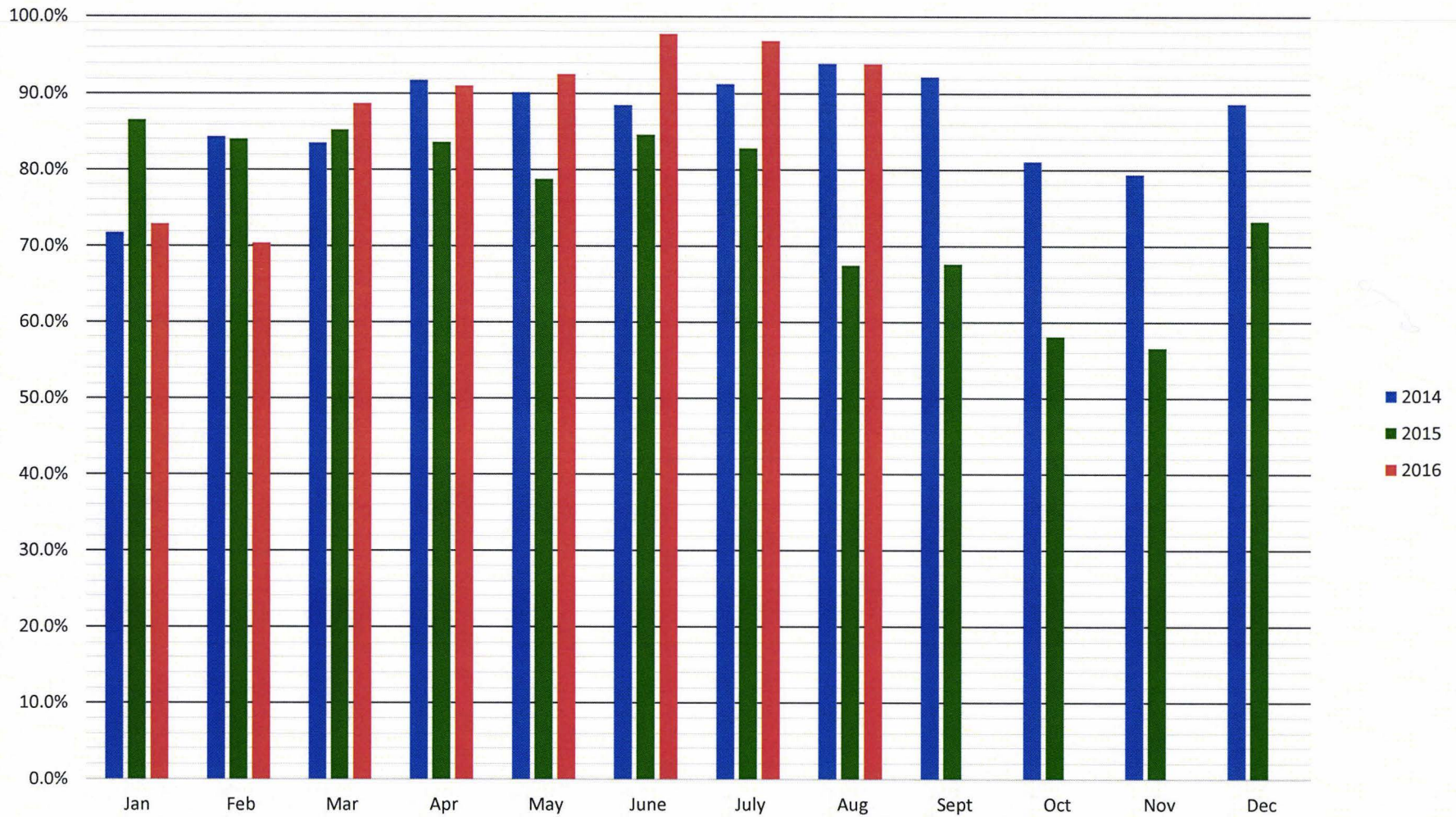
2015

IGC	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
ACD Calls (Including IVR)	49471	48566	56269	49665	42878	43313	40430	37288	43568	47630	43603	46683	549364
Avg Speed of Answer [R4]	:26	:32	:31	:28	:35	:27	:29	1:09	1:06	1:54	2:01	1:12	:53
Avg Service Level [R45]	86.6%	84.1%	85.3%	83.7%	78.8%	84.7%	82.9%	67.5%	67.7%	58.1%	56.6%	73.3%	75.8%
AvgHandlingTime [R48]	4:18	4:15	4:19	4:29	4:38	4:39	4:48	6:15	5:12	4:52	4:59	4:51	4:45
Abandoned Calls [R43]	1237	1565	2765	1676	1844	1031	1199	3135	3812	9464	6866	5569	40163

2016

IGC	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
ACD Calls (Including IVR)	55888	59128	61602	42548	37068	34498	29337	11605					331674
Avg Speed of Answer [R4]	1:10	1:03	:18	:15	:15	:04	:05	:10					:31
Avg Service Level [R45]	72.9%	70.4%	88.7%	91.0%	92.5%	97.8%	96.9%	93.9%					88.0%
AvgHandlingTime [R48]	4:26	4:23	4:22	4:55	5:22	5:39	5:39	5:45					4:52
Abandoned Calls [R43]	6207	2825	1304	693	433	208	256	288					12214

Intermountain Gas Company CSC Service Levels



Avista Credit Tracking Report – Idaho

October 2016		
	Non-Low Income	Low-Income*
1. Accounts	115199	4148
2. Accounts with Moratoriums	1185	276
3. Accounts with Arrears	15306	1607
4. Total Arrears Amount	\$1,490,084.63	\$214,848.91
5. Number of Payment Agreements	2121	399
6. Total Payment Agreement Arrears	\$477,399.82	\$96,010.74
7. Number of Payment Agreements with Moratoriums	210	70
8. Past Due Notices	4230	684
9. Past Due Notice Collect Amount	\$873,448.69	\$135,857.18
10. Final Notice Letter	4215	688
11. Disconnects for Non-Pay	394	69
12. Total Collect Amount at Disconnect	\$74,633.01	\$13,477.97
13. Same Day Reconnects	292	44
14. Reconnects within 1 week	70	16
15. Total Dollars Written Off (gross)	\$72,533.07	\$13,577.69
16. Write Offs due to Bankruptcy	\$2,074.72	\$134.46
17. Total Kwh Billed	68940169.53	2713978.5
18. Total Therms Billed	1991968.68	36926.46

Data is gathered on approximately the first business day of the following month.

Credit Tracking Definitions

* **Low-Income:** Accounts receiving LIHEAP Energy Assistance within last 12 months.

1. **Accounts:** Accounts are metered service of electric and/or gas services and active at the time the data is gathered. Typically one account is associated with a specific service address, customers can have multiple accounts.
2. **Accounts with Moratoriums:** Accounts with an enrollment date for Moratorium within the last 12 months and are active at the time data is gathered.
3. **Accounts in Arrears:** Accounts with a past due balance (Arrears Amount) and active at the time data is gathered. Comfort Level Billing (levelized pay) accounts with a past due amount are included.
4. **Number of Payment Agreement with Moratoriums:** Accounts with payment agreement and an enrollment date for Moratorium within the last 12 months and are active at the time data is gathered.
5. **Reconnects within 1 week:** Accounts where service was reconnected within 5 calendar days of disconnect, excluding same day reconnects. Reconnects reported this month can be for disconnects which occurred in the last week of the last month.
6. **Total Dollars Written Off:** Gross write offs.
7. **Write Offs Due to Bankruptcy:** Gross write offs due to bankruptcy and reported based on the date the Company is notified of the final judgment.

IDAHO POWER COMPANY

Low Income Tracking Report for October 2016

Key	Description	Non Low Income Residential Contracts	Low Income Residential Contracts *
L01	Contracts	435,494	9,716
L02	Contracts with Winter Moratoriums		
L03	Contracts with Arrears	91,723	4,088
L04	Total Arrears Amount	\$ 10,533,153	\$ 535,043
L05	Past Due Notices Mailed	30,314	1,378
L06	Past Due Notice Amount	\$ 8,519,531	\$ 367,780
L07	Final Disconnect Notices	12,859	644
L08	Disconnects for Non-Pay	3,064	245
L09	Total Collect Amount at Disconnect	\$ 3,626,308	\$ 170,490
L10	Same Day Reconnects	2,292	73
L11	Reconnects within 5 Business Days	2,801	102
L12	Total \$ Written Off	\$ 261,374	\$ 34,599
L13	Write-offs due to Bankruptcies in Idaho	\$ 2,719	

* Low Income contracts are those receiving an energy assistance payment within the past 12 months.

Line Item Notes:

L01) Contracts are individual metered electric service contracts, active during any portion of the reporting month. Customers can have multiple service contracts on an account. Customers can also have multiple accounts.

L02) Active service contracts assigned to the moratorium collection path.

L03) Count of service contracts that are in a 31+ days arrears status at the end of the current revenue month.

L04) Total \$ amount of service contracts that are in a 31+ days arrears status at the end of the current revenue month.

L11) Count of reconnects that were performed within 5 business days of disconnects for non payment, including same day reconnects.

L12) Total amount written off including bankruptcies. Total \$ Written Off includes only the account balance at the time it is written off.



State of Idaho Low-Income Tracking Report October 2016

	<u>Non-Low-Income Residential Agreements</u>	<u>Low-Income¹ Residential Agreements</u>
1. Agreements ²	61,161	1,193
2. Agreements with Moratoriums (past 12 months)	310	85
3. Agreements with Arrears ⁴	8,397	483
4. Total Arrears Amount (\$) ⁴	\$1,251,576.54	\$107,138.40
5. Past Due Notices	3,621	243
6. Past Due Notice Collect Amount (\$)	\$1,145,797.98	\$78,876.90
7. Final Notice Letter	3,024	233
8. Disconnects for Non-Pay	44	0
9. Total Collect Amount at Disconnect (\$)	\$34,720.34	\$0.00
10. Same Day Reconnects	20	0
11. Reconnects within 1 Week ³	30	0
12. Total \$s Written-off ⁵	\$58,822.28	Not broken out
13. Write-offs due to bankruptcies filed in Idaho ⁶	\$12,037.21	\$0.00
14. Total kWh Billed	42,517,098	851,559

Report Notes:

- 1.) Low-Income Agreements are those receiving an energy assistance payment within the past 12 months.
- 2.) Agreements are individual metered electric services active during any portion of the report month. Customers can have multiple agreements on an account. Customers can also have multiple accounts.
- 3.) Reconnects in this month can be for disconnects which occurred in the last week of the prior month. Reconnects include only those where payments to reconnect are provided within 5 working days. Customers making payments after 5 working days are not included as a reconnect in this report.
- 4.) Arrears and the number of agreements in arrears are based on a snap-shot 2 days prior to the report date. Arrears are included on agreements that are active during any portion of the report month.
- 5.) Write-offs occur 180 days after the closing bill due date or at the time of a bankruptcy filing. The total residential write-off for metered service is not broken out for low-income and non-low income residential service since all agreements in this report were active sometime during the report month and low-income agreements are identified by energy assistance payments within the last 12 months.
- 6.) All Idaho residential agreements included in the bankruptcy claim are included even though they may not have been active for an extended period. Claims filed in other states are not included even if an Idaho agreement was included in the bankruptcy claim.

Thursday, November 03, 2016

Exhibit No. 119
Case No. INT-G-16-02
D. Klein, Staff
12/16/16 Page 3 of 3

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 16TH DAY OF DECEMBER 2016, SERVED THE FOREGOING **DIRECT TESTIMONY OF DANIEL KLEIN**, IN CASE NO. INT-G-16-02, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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