

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR)
AUTHORITY TO INCREASE ITS RATES) CASE NO. IPC-E-08-10
AND CHARGES FOR ELECTRIC SERVICE.)
_____)

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

MAGGIE BRILZ

1 Q. Please state your name and business address.

2 A. My name is Maggie Brilz. My business
3 address is 1221 West Idaho Street, Boise, Idaho.

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

6 A. I am employed by Idaho Power Company as
7 Manager of Customer Service.

8 Q. Please describe your educational background.

9 A. In May of 1980, I received Bachelor of Arts
10 degrees in Economics and Psychology from Smith College in
11 Northampton, Massachusetts. In 1998, I completed the
12 University of Idaho's Public Utilities Executive Course in
13 Moscow, Idaho. I have also attended numerous seminars,
14 conferences, and courses involving public utility
15 regulation.

16 Q. Please describe your business experience
17 with Idaho Power Company.

18 A. I started employment with Idaho Power
19 Company in November of 1984 as a Financial Analyst in the
20 Planning Department. In 1986, I was promoted to the
21 position of Rate Analyst in the Rate Department. In July
22 of 1993, I was promoted to Rate Design Supervisor. In
23 October of 1996, I was promoted to Pricing Director in the
24 Pricing and Regulatory Services Department. My duties as

1 Pricing Director included overall management of the
2 development of rate design and pricing strategies, the
3 analysis of the impact on customers of rate design changes,
4 the preparation of cost-of-service studies, and the
5 administration of the Company's tariffs. I was promoted to
6 my current position as Manager of Customer Service in May
7 2008. In my current position, I am responsible for the
8 overall operation of the Company's Customer Service Center,
9 including incoming call handling, credit and collection
10 activity, and customer account management.

11 Q. What is the purpose of your testimony in
12 this proceeding?

13 A. I will describe the various improvements and
14 initiatives Idaho Power has undertaken over the past
15 several years relating to its customer service activities.

16 Q. Before proceeding with details on the
17 Company's customer service improvements and initiatives,
18 would you please briefly describe Idaho Power's business
19 model for providing customer service?

20 A. Yes. Idaho Power operates a centralized
21 Customer Service Center ("CSC") that provides customers
22 full service access to Customer Service Representatives
23 ("CSRs") weekdays from 7:30 a.m. to 6:30 p.m. and outage
24 and emergency access to Customer Service Specialists

1 ("CSSs") 24 hours a day, seven days a week. Other benefits
2 of our centralized Customer Service Center include a single
3 phone number for customers in the Treasure Valley, a single
4 toll-free 800 number for customers outside the Treasure
5 Valley, consistency in service and information regarding
6 our policies and procedures, and prompt service with over
7 80 percent of our inbound calls answered within 30 seconds.

8 The Customer Service Center employs a well-trained
9 staff with specific customer service skills and uses state
10 of the art technology. Calls are monitored for quality and
11 to provide on-going training support to personnel. A
12 performance management system is utilized to provide
13 feedback to ensure that our customers receive superior
14 customer service.

15 Idaho Power employs bilingual CSRs that provide
16 service to the Company's Spanish-speaking customers.
17 Additionally, we utilize a third-party language service to
18 help us communicate with other non-English speaking
19 customers.

20 In addition to the services provided by CSRs during
21 business hours and by CSSs 24/7, Idaho Power provides its
22 customers access to account and outage information 24 hours
23 a day, seven days a week, through an Interactive Voice
24 Response ("IVR") unit. Through the IVR, customers can make

1 payment arrangements, retrieve billing, payment, and meter
2 reading information, sign up for Budget Pay, access energy
3 efficiency and usage information, and receive information
4 on outages. Twenty-four hours a day account access via the
5 Company's Web site also allows customers the same "self-
6 help" options available through the IVR plus the ability to
7 start and stop service and engage in an energy usage
8 analysis for their home or small business.

9 Outside of the Customer Service Center, Idaho Power
10 provides customer service through its operations centers
11 located throughout the service territory. The operations
12 centers are primarily responsible for building, operating,
13 and maintaining the Company's distribution facilities.
14 These centers are open Monday through Friday for general
15 business activities primarily related to service
16 installations and line extensions.

17 Idaho Power manages its operations to respond to
18 emergency situations and after-hours service connection
19 requests 24 hours a day, seven days a week, and is staffed
20 at 13 strategically located service centers throughout the
21 service territory to ensure quick response as well as a
22 presence within the communities we serve.

23 Each of the operations centers has a drop box
24 available for check or money order payments. In addition,

1 each center also provides assistance to customers via a
2 direct telephone line to the Customer Service Center and
3 can direct customers to the appropriate personnel for non-
4 customer service related inquiries.

5 Idaho Power also has representatives staffed locally
6 within the regions to accommodate customers at their homes
7 or businesses. Personal assistance from the Company's
8 Customer Representatives is available for customers in all
9 customer classes regarding billing inquiries, energy
10 efficiency programs, power quality, and other inquiries
11 best accommodated through face-to-face interaction at the
12 customer's residence or business. In addition, large
13 industrial and commercial customers have a dedicated
14 representative who actively manages their accounts. These
15 large customers have telephone access to their
16 representative as well as to the Company's dispatch center
17 for emergency assistance 24 hours a day, seven days a week.

18 Q. What changes have been made during the past
19 several years to improve the service provided through the
20 Customer Service Center?

21 A. Over the past several years the Company has
22 increased its focus on improved training of our CSRs, on
23 internal quality improvements, and on improvements to the
24 usability of the IVR.

1 Q. Please describe the training program for the
2 Company's CSRs.

3 A. Idaho Power uses skills-based routing to
4 direct inbound calls to CSRs who are best trained to handle
5 the particular call. The Company's training is structured
6 such that CSRs progress through a skills-based program to
7 ensure that mastery of certain skills is attained prior to
8 moving into more detailed or complicated types of services.
9 New CSRs spend approximately four weeks in classroom
10 training. As part of this training, they spend time with
11 mentors who are the most experienced CSRs. During the
12 mentoring sessions the new CSRs listen to inbound calls and
13 observe how the calls are handled. Once the formal
14 classroom training is completed the new CSRs are paired
15 with their mentors while they handle calls until the CSR,
16 the mentor, and the trainer all are confident the CSR can
17 handle calls on his or her own. As the CSR's experience
18 grows, additional training to enhance the CSR's skills to
19 handle more complex issues, such as new construction and
20 commercial and irrigation service requests, is conducted.

21 The Company also has a call monitoring and coaching
22 program that is designed to develop the overall knowledge,
23 skills, and abilities of our CSRs. On a monthly basis,
24 each CSR has two recorded phone calls that are reviewed

1 with his or her supervisor. The calls are reviewed for
2 both how well the CSR handled the interaction with the
3 customer and how accurate the CSR was in processing the
4 transaction. In addition, each supervisor spends 30
5 minutes of phone time with each CSR on a monthly basis.
6 During these one-on-one sessions, the supervisor listens to
7 the CSR's interaction with customers and provides on-the-
8 spot coaching and assistance to enhance the CSR's
9 knowledge, skills, and abilities.

10 Q. What changes have been made over the past
11 several years regarding quality improvement?

12 A. The Company has developed an internal
13 quality assurance program that focuses on identifying
14 trends and issues related to customer complaints and CSR
15 accuracy. Each month the Customer Service Quality
16 Administrator prepares "complaint" reports detailing all
17 customer contacts in which the customer expressed some
18 level of dissatisfaction with the Company. The trends and
19 issues identified through these reports are reviewed by the
20 Company's management to determine areas of customer concern
21 that can be addressed with process or system changes. In
22 addition, the Customer Service Quality Administrator
23 prepares monthly reports detailing the accuracy rates for
24 each of the CSRs. These reports are likewise reviewed to

1 identify areas where additional training or corrective
2 action is needed.

3 Q. What changes have been made recently to the
4 IVR?

5 A. Idaho Power's IVR is designed to route calls
6 to the CSR who is best trained to serve that specific
7 customer while subjecting the customer to as few menu
8 prompts as possible. For example, a customer who selects
9 the Irrigation Option within the IVR is routed directly to
10 a CSR with the specific training and skill level needed to
11 meet the needs of irrigation customers.

12 Prior to February of this year, customers selecting
13 the Residential Option were not immediately given the
14 option to speak with a representative. In response to
15 feedback from customers about the lack of this option, the
16 Company revamped its residential queue within the IVR. The
17 revamped IVR was launched in February 2008 and lets
18 customers who select the Residential Option immediately
19 choose to speak with a CSR. In March of this year, E
20 Source, a research company that focuses on issues relevant
21 to energy service providers, benchmarked Idaho Power's IVR
22 against the 2007 survey results of 103 other utilities'
23 IVRs. Idaho Power's performance index was 797 points out
24 of a possible 1,000 points. Based on our performance index

1 of 797, Idaho Power's IVR ranks 10th out of the 103 utility
2 IVRs included in the survey. Based on E Source's research,
3 Idaho Power's new IVR is considered to be in the top
4 quartile of those assessed.

5 Q. Have the improvements within the Customer
6 Service Center resulted in improvements to the quality of
7 service provided to customers?

8 A. Yes. Over the past four years, the number
9 of calls received by the Customer Service Center as well as
10 the number of calls handled by CSRs has remained stable
11 even though the number of customers over this same time
12 period has increased by almost 13 percent. In addition,
13 the number of customer contacts logged as "complaints" by
14 the CSRs declined by almost 40 percent from 2006 to 2007
15 and is on track to maintain the 2007 level as of the end of
16 the first quarter of 2008. Over this same time period, the
17 Customer Service Center has consistently achieved an
18 overall CSR accuracy rate greater than 99 percent. The
19 stable trend in the number of calls received, the decrease
20 in the number of "complaints" logged, and the consistently
21 high CSR accuracy rate, I believe, are the result of our
22 CSR training and monitoring program, our quality
23 initiatives, and our customers' growing acceptance of
24 "self-help" through the IVR and the Company's Web site.

1 utilities in this category.

2 Q. What billing and payment options does Idaho
3 Power offer its customers?

4 A. Customers have numerous ways in which they
5 can pay their bills. Check or money order payments may be
6 mailed in, placed in a drop box, or made at a pay station.
7 Customers may also participate in automatic bank debiting
8 (PreferredPay) and electronic billing and payment (E-bill
9 Services). Customers can also use a third-party vendor and
10 pay their bills using a credit card or a check by phone.
11 Customers' satisfaction with the number of billing options
12 provided has consistently been increasing as detailed on
13 Exhibit No. 6, which details results from the Burke, Inc.,
14 customer satisfaction survey described by Ms. Drake in her
15 direct testimony.

16 Q. Has Idaho Power made any changes over the
17 past several years that have reduced uncollectible amounts?

18 A. Yes. In October 2004 the Company
19 implemented a tiered deposit structure for irrigation
20 customers. Under this structure, customers who have an
21 outstanding past due balance of \$1,000 or more as of
22 December 31 are required to pay a deposit roughly equal to
23 four months of irrigation usage prior to having service
24 reconnected the following season. Prior to implementing

1 the tiered deposit structure, all deposits required from
2 irrigation customers were equal to approximately one and a
3 half months of irrigation usage. Also, over the past
4 several years, the Company's Agricultural Representatives
5 have made a concerted effort to work with customers who
6 have challenges paying their bills to help them understand
7 the deposit requirements and to encourage them to make
8 timely payments. Both the tiered deposit structure and the
9 improved communication between the Company's Agricultural
10 Representatives and its irrigation customers have resulted
11 in a 73 percent reduction in past due irrigation balances
12 and a 93 percent reduction in the irrigation write off
13 amount at the end of 2007 when compared to the end of 2003.
14 Exhibit No. 7 details the amount of irrigation year-end
15 past due balances and write offs over the past five years.

16 Q. Has Idaho Power taken any other steps over
17 the past several years to improve customer service?

18 A. Yes. Idaho Power has taken steps to improve
19 its metering quality, its distribution and transmission
20 facility siting process, and its system reliability.
21 Although I am not responsible for the efforts in these
22 three areas, they nonetheless impact the quality of the
23 Company's customer service.

1 Q. How well is Idaho Power's metering system
2 performing?

3 A. Idaho Power's metering system is performing
4 very well. The Company's meter reading accuracy rate has
5 consistently been 99.8 percent since 2003. In addition,
6 the Company processes 99.4 percent of all requests for
7 service connection on the same day as the request with 99.8
8 percent of all service connection requests processed within
9 three business days. Idaho Power processes 99.8 percent of
10 all requests for service disconnection within four business
11 days and 99.8 percent of all requests for a meter re-read
12 within three business days. Additionally, Idaho Power's
13 system-estimated meter reads, corrected meter reads, and
14 meter reread requests are minimal as indicated by Exhibit
15 No. 8.

16 Q. What steps has Idaho Power taken to improve
17 its metering quality?

18 A. In 1999, Idaho Power began developing a
19 meter quality system based upon the International Standards
20 Organization (ISO 9001-2000) model. This quality system
21 focuses on monitoring of metering operations, identifying
22 the root cause of all discrepancies, implementing an action
23 plan to resolve issues, and seeking opportunities for
24 continuous improvement. An example of how successful this

1 quality program is in identifying and addressing metering
2 problems occurred in late 2006 when the Company began a
3 targeted inspection program of all current transformer
4 ("CT") meters. This inspection program revealed
5 approximately 15 incidences where an incorrect multiplier
6 associated with the CT meter was resulting in incorrect
7 billings. As a result of the discovery of this error,
8 process changes were made, employees were trained on the
9 new process, a new maintenance program for CT meters was
10 implemented, new reports were created, and the Company's
11 Customer Information System ("CIS") was modified to prevent
12 billing from occurring if a meter multiplier error existed.
13 Although this example highlights an issue that had a large
14 impact on a small number of customers, it illustrates the
15 improvements in processes and training that ultimate result
16 in improved customer service.

17 Q. What steps has Idaho Power taken to improve
18 its distribution and transmission facility siting process?

19 A. For many years, it was Idaho Power's
20 practice to develop long-range plans for its transmission
21 and distribution facilities and then share these plans with
22 jurisdictional authorities and customers in order to foster
23 an understanding of the facilities needed to meet
24 electricity needs, to purchase substation sites, and to

1 acquire transmission rights in advance of the need and
2 before physical development in a given area overtook our
3 ability to economically provide the necessary
4 infrastructure. Beginning in 2005, Idaho Power began
5 forming Customer Advisory Committees ("CAC") in order to
6 cooperatively develop long-range plans for transmission and
7 distribution facilities with input and guidance from the
8 public. So far three CACs have been created. The Treasure
9 Valley Electrical Plan CAC was formed in mid 2005, the Wood
10 River Electrical Plan CAC in early 2007, and the Magic
11 Valley Electrical Plan CAC in late 2007. Each CAC is
12 comprised of jurisdictional members such as mayors, city
13 council members, county commissioners, economic development
14 staff, Idaho Transportation Department and County Highway
15 District staff, and city and county planning staff,
16 environmental organization staff, customers, developers,
17 staff from the Bureau of Land Management, U.S. Forest
18 Service, and Idaho Department of Fish & Game, and chamber
19 of commerce representatives. This broad group of
20 interested parties works with Idaho Power over the course
21 of several months to develop the long-range build-out plan
22 for facilities in the affected region. Idaho Power is
23 working to have the results of the final plans placed into
24 the jurisdictional comprehensive plans (in map form) within

1 the regions in which they are developed so they become a
2 part of each jurisdiction's long-range growth strategy.

3 Q. What has Idaho Power done to improve system
4 reliability?

5 A. In 2007, Idaho Power created a management
6 level position as part of its concentrated effort to
7 improve the reliability of its electrical distribution
8 system used to serve customer load. The Manager of
9 Distribution Reliability and Maintenance is charged with
10 developing a long-term organizational structure and
11 strategy to support the Company's reliability objectives.
12 Since the inception of the Distribution Reliability and
13 Maintenance Department, new processes have been established
14 to identify and prioritize infrastructure needs and funding
15 requirements. In addition, a long-term reliability
16 improvement strategy, which was launched in early 2008, has
17 been developed. This strategy focuses on three primary
18 areas. First, emphasis is placed on outage data accuracy
19 in order to minimize the number of outages associated with
20 unknown causes. By focusing on the cause of outages, the
21 effectiveness of corrective infrastructure projects is
22 enhanced. Second, focus is placed on identifying system
23 defects through the ongoing patrolling of the Company's
24 facilities. Through this identification, a plan is

1 implemented to prioritize infrastructure maintenance work
2 and capital improvements to address the defects. And,
3 third, emphasis is placed on reviewing the system
4 protection schemes established for various distribution
5 circuits in order to minimize the number of customers who
6 might be affected by an outage. In addition to focusing on
7 the three primary areas identified as part of the Company's
8 reliability strategy, Idaho Power has purchased and is
9 utilizing new design tools to assist in the development of
10 more reliable infrastructure designs.

11 Q. Has Idaho Power focused more attention on
12 system reliability in ways other than through the creation
13 of the Distribution Reliability and Maintenance Department?

14 A. Yes. In 2006 the Company established the
15 electrical system's performance for Schedule 7 and Schedule
16 9 customers as a component of Idaho Power's Employee
17 Incentive Program. By establishing specific reliability
18 targets for this group of customers, the Company has
19 provided a financial incentive for all employees, managers,
20 and officers to focus on improvements in system
21 reliability.

22 Q. Has Idaho Power's system reliability
23 improved since the Distribution Reliability and Maintenance
24 Department was established and reliability targets were

1 incorporated into the Employee Incentive Plan?

2 A. Yes. Exhibit No. 9 details the System
3 Average Interruption Frequency Index ("SAIFI") for all
4 Idaho Power customers. As can be seen from Exhibit No. 9,
5 the annualized average number of outages per customer
6 declined during 2007 compared to the number of outages
7 during 2006. In addition, with the exception of the first
8 several weeks of 2008 during which heavy snow storms
9 occurred throughout much of the Company's service
10 territory, the annualized average number of outages
11 experienced by customers has continued to decline during
12 2008 compared to the number of outages during 2006.
13 Likewise, the number of customers with more than six
14 outages per year continues to be less during both 2007 and
15 2008 than was experienced during 2006, as can be seen from
16 Exhibit No. 10.

17 Q. Is Idaho Power committed to providing
18 superior service to its customers?

19 A. Yes. Idaho Power is committed to providing
20 superior service to our customers not only through our high
21 quality Customer Service Center but in all facets of our
22 business, as is demonstrated by the various initiatives
23 undertaken over the past several years both within the CSC
24 and throughout the Company's planning and operations

1 organizations.

2 Q. Does this conclude your direct testimony in
3 this case?

4 A. Yes, it does.