COMMISSIONERS

JASON M. STANEK

MICHAEL T. RICHARD ANTHONY J. O'DONNELL ODOGWU OBI LINTON MINDY L. HERMAN



CONTACT: Tori Leonard 410-767-8054 443-829-9111 (c) tori.leonard@maryland.gov

Maryland PSC Fines Washington Gas More Than \$1 million for Decline in Customer Service

For Immediate Release: March 17, 2022

Media Contact: Tori Leonard | tori.leonard@maryland.gov | (410) 767-8054

(BALTIMORE, MD) – The Maryland Public Service Commission has imposed a civil penalty of \$1,147,600 against Washington Gas for the utility's failure to meet a number of commitments related to customer service quality following its merger in 2018 with AltaGas, Ltd. The Commission also penalized Washington Gas for failing to timely file required reports with the Commission regarding its customer service performance.

In its 2018 merger, AltaGas and Washington Gas committed to improve the company's customer service performance, as benchmarked by industry standards, and to continue filing customer service quality reports on a quarterly basis. The merger metrics exceeded what is required of Maryland gas utilities regulated by the Commission.

The Commission has received many complaints over the past year from customers who had difficulty reaching Washington Gas by phone or online to start service, transfer service after moving, or restart service after the customer paid a past due bill. According to these complaints, the utility's customers experienced extremely long wait times to reach a customer service representative, and, as a result, many gave up trying. This meant that the utility was unable to investigate and address those customers' concerns. In October 2021, the Commission issued a 'show cause' order requiring Washington Gas to submit a proposed corrective action plan addressing any post-merger decline in its customer service. Washington Gas, in its defense, noted that in the past year the utility has changed customer service vendors.

After hearing from various parties in the case against Washington Gas, in December 2021, the Commission issued an order in which it concluded that the record reflected an extensive failure by Washington Gas to provide adequate customer service, including the prompt investigation of complaints and answering calls from customers in a timely manner. The Commission found that the utility violated two conditions of the 2018 merger order, specifically its commitments to improve customer service and to timely report its customer service metrics to the Commission. The Commission also concluded that Washington Gas violated provisions of Commission regulations regarding the

prompt investigation of customer complaints, and held a hearing on February 9, 2022 to determine the amount of a potential civil monetary penalty.

In addition to the penalty and the continued monthly customer service reporting requirements, the Commission will require Washington Gas to also include with its monthly reports the percentage of emergency calls answered within 30 seconds. Noting that emergency calls are the most serious customer service provided by gas utilities, the Commission observed that, for Washington Gas, this metric appears to be worsening.

Washington Gas is expected to comply with the metrics contained in its monthly reports, which reflect industry benchmarks for customer service quality. If Washington Gas satisfactorily achieves these customer service standards for three consecutive months, the supplemental metrics identified in the order will no longer be enforceable standards. After that, the utility will be bound by the same Maryland regulations as other Maryland gas utilities. Until then, Washington Gas may not resume its collection-related activities, assess late fees or disconnect service for non-payment.

###

About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities and suppliers, telephone companies (land lines), certain water and sewer companies, passenger motor vehicle carriers for hire (sedans, limousines, buses, Uber, Lyft), taxicab companies (in Baltimore City and County, Charles County, Cumberland and Hagerstown) and bay pilot rates.

Follow us on Twitter: @MarylandPSC

Follow us on Instagram: <u>@MDEnergyChoice</u>

Like us on Facebook: @MDEnergyChoice and @MarylandPSC

Watch us on YouTube: Maryland PSC and MD PSC PULJs

MDRS: 1-800-735-2258 (TTY/Voice) · Website: www.psc.state.md.us