

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 Q. Please state your names.

2 A. Andrew G. Wood, Richard McKnight, Rebecca Lynch and  
3 Joanna Wolff. In initial testimony, we testified as  
4 the Customer Operations Panel.

5 Q. What is the purpose of your additional testimony?

6 A. First, our testimony will discuss the updates to the  
7 Company's filing. The panel will discuss the  
8 adjustment in funding related to the implementation of  
9 Mandatory Hourly Pricing ("MHP"). The panel will also  
10 update its requests for: maintenance costs associated  
11 with the Cycle Meter Reading Handheld System;  
12 maintenance costs associated with Call Center  
13 improvements; expenses related to Bill Redesign; and  
14 expenses related to Postal Discount Processes.  
15 Second, we will respond to:

- 16 • Testimony of Staff witness Insogna relating to Call  
17 Center Improvements;
- 18 • Testimony of Staff witness Insogna on Customer  
19 Service System (CSS) Improvements;
- 20 • Testimony of CPB witness Schultz on Automated Meter  
21 Reading (AMR) funding;

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- 1       • Testimony of CPB witness Schultz related to the  
2       filling of positions requested to support MHP and  
3       the Company's customer service system;
- 4       • Testimony of Staff witness Insogna on the Customer  
5       Service Performance Mechanism;
- 6       • Testimony of Staff witness Insogna and CPB witness  
7       Collar on the low income program;
- 8       • Testimony of NYPA witnesses Chamberlin and Hedman on  
9       meter reading;
- 10      • Testimony of City witness Rosenberg on estimated  
11      billing.
- 12    Q.   Please explain the adjustments to the Company's  
13      funding requests for MHP.
- 14    A.   The Company's funding request treated MHP as a common  
15      program. Most Customer Operations programs are funded  
16      as common since the organization supports all  
17      services, i.e., electric, gas and steam. However, MHP  
18      is an electric supply rate and the O&M costs requested  
19      relate only to the billing of electric supply, and,  
20      therefore, only customers served under electric rates  
21      should bear the capital and O&M expenses associated  
22      with this program.

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1 Due to this, the Company needs to update its funding  
2 request related to MHP.

3 Q. Is the Company updating its request for capital  
4 funding associated with the MHP program?

5 A. No. The Company requested capital funding of \$252,000  
6 to complete the implementation of the Meter Data  
7 Management System (MDMS) that will manage electric  
8 interval data and the development of electric billing  
9 determinants for the larger number of customers that  
10 will be billed under the MHP expansion. Assigning all  
11 the capital costs to electric would increase the  
12 Company's funding request by \$45,000. Due to the de  
13 minimis impact this change would have on the Company's  
14 overall capital request, the Company is not proposing  
15 to adjust its capital requirement to cover this  
16 amount.

17 Q. Please explain the change to the O&M funding for MHP.

18 A. O&M expenditures include expenses related to the  
19 metering and billing of customers billed under the MHP  
20 rate, support of the MDMS and billing system  
21 activities related to MHP billing, and maintenance  
22 costs for the MDMS software and hardware. The Company

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1 is increasing its request for O&M funding to reflect  
2 the total expenses for the program rather than the  
3 electric allocation that was shown in Exhibit AP-5,  
4 Schedule 6, of the Company's initial filing. In  
5 addition, the Company has identified cost reductions  
6 of \$100,000 to the maintenance costs associated with  
7 the MDMS.

8 Q. What is the net effect of the two adjustments relating  
9 to MHP?

10 A. The request for O&M funding is increased by \$262,000  
11 to \$1.456 million to provide for these expenses.

12 Q. Have you prepared, or had prepared under your  
13 supervision, an exhibit that details the proposed  
14 funding for MHP?

15 A. Yes. We have prepared an exhibit entitled "MANDATORY  
16 HOURLY PRICING," Exhibit\_\_\_ (CO-23), and an exhibit  
17 entitled "MANDATORY HOURLY PRICING WORKSHEET," Exhibit  
18 \_\_\_ (CO-24)

19 MARK FOR IDENTIFICATION AS EXHIBIT\_\_\_ (CO-23) and  
20 EXHIBIT\_\_\_ (CO-24)

21 Q. Please explain adjustments that you are proposing to  
22 other O&M funding requests.

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- 1 A. The Company has identified a number of reductions to  
2 O&M expense. O&M costs are reduced for the annual  
3 maintenance of cycle meter reading handhelds and  
4 expenses related to Bill Redesign and the Postal  
5 Discount processes. Cost increases have been  
6 identified related to the transition to the new Cycle  
7 Meter Reading Handheld System and Call Center  
8 Improvements.
- 9 Q. Please explain the adjustments to maintenance costs  
10 associated with the Cycle Meter Reading Handheld  
11 System.
- 12 A. The Company identified both positive and negative  
13 adjustments that need to be applied to the annual  
14 maintenance cost of the cycle meter reading handhelds.  
15 Although the Company's initial testimony assumed that  
16 a savings of \$220,000 in maintenance costs would be  
17 achieved in RY 1 as the Company implements the new  
18 cycle meter reading handheld system, this savings will  
19 not be achieved until after the new handhelds begin to  
20 be put into use in RY 2. With the Cycle Meter  
21 Reading Handheld System project in its planning and  
22 development phases through May 2011, the Company will

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1 incur a full year of maintenance cost for the existing  
2 cycle meter reading handhelds in RY 1.

3 Q. Please continue.

4 A. Although the Company will require another year of  
5 maintenance for the handhelds that are being replaced,  
6 the maintenance cost will be less than the cost of  
7 maintenance in the historic period. The Company  
8 executed a new contract in July 2009 for the annual  
9 maintenance of the cycle meter reading handhelds  
10 totaling approximately \$404,000, which is a reduction  
11 from the \$440,000 that the Company paid for  
12 maintenance during the historical period. This  
13 reduces the Company's funding request by \$36,000.

14 Q. What is the impact of these adjustments on the annual  
15 maintenance costs?

16 A. Net of the reduction in the cost of the annual  
17 maintenance contract for handhelds, the Company's  
18 funding request for RY 1 is increased by \$167,000 to a  
19 total of \$387,000.

20 Q. Have you prepared, or had prepared under your  
21 supervision, an exhibit that shows adjustments to the  
22 costs for the cycle meter reading handheld system?

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1 A. Yes. We have prepared an exhibit entitled "CYCLE  
2 METER READING HANDHELD SYSTEM", Exhibit\_\_ (CO-25), and  
3 an exhibit entitled "CYCLE METER READING HANDHELD  
4 SYSTEM WORKSHEET," Exhibit\_\_ (CO-26).

5 MARK FOR IDENTIFICATION AS EXHIBIT\_\_ (CO-25) and  
6 EXHIBIT\_\_ (CO-26).

7 Q. Please explain the adjustments to O&M funding for Call  
8 Center Improvements.

9 A. The Company requires funding for two maintenance  
10 contracts that were signed after the Company's initial  
11 filing. The contracts are for maintenance of the  
12 existing call recording and network integration  
13 systems.

14 Q. Please explain the adjustment related to maintenance  
15 of the existing call recording system.

16 A. The Company's call recording system records customer  
17 calls and related screen content. It is used by Call  
18 Center supervision for performance analysis and  
19 quality assurance programs. Vendor support is used to  
20 perform monthly maintenance activities needed to  
21 ensure that the system remains operational. The  
22 discounted maintenance contract that was a part of the

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1 capital purchase agreement for the call recording and  
2 monitoring system expired this year. The Company has  
3 entered into a three-year maintenance contract that  
4 will increase the Company's funding request by  
5 \$220,000 for RY 1, \$240,000 for RY 2 and \$250,000 for  
6 RY 3.

7 Q. Please explain the adjustment related to the  
8 maintenance contract for the network integration  
9 system.

10 A. The Intelligent Contact Manager (ICM) system provides  
11 the ability for the Company's phone system to  
12 integrate with the Company's Customer Service System  
13 (CSS) so that account information is delivered to the  
14 Customer Service Representative (CSR) desktop as the  
15 call is received. This technology is common in the  
16 call center industry and has been used by the Company  
17 for a number of years. In the majority of cases, this  
18 system permits the customer to avoid having to provide  
19 account information; thus it facilitates handling of  
20 the call and helps control toll free line and human  
21 resource costs. The system also promotes customer  
22 satisfaction especially in situations where the

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1 customer initially utilizes the self service system  
2 application(s) and then opts to be transferred to a  
3 CSR. Without this system the customer would have to  
4 provide their account information to the CSR, even  
5 though the customer had already spent time in the  
6 Company's self service system. The Company has  
7 secured a fixed price multi-year maintenance and  
8 support contract for the ICM system beginning in 2009  
9 and ending in 2012 for \$110,000 per year. This  
10 increases the Company's funding request by \$110,000  
11 per year starting in Rate Year 1.

12 Q. What is the total amount of the adjustment to Call  
13 Center Improvements for the maintenance contracts?

14 A. The Company is requesting funding of \$330,000 in RY 1,  
15 \$350,000 in RY 2 and \$360,000 in RY 3.

16 Q. Have you prepared, or had prepared under your  
17 supervision, an exhibit that shows adjustments to Call  
18 Center Improvements costs?

19 A. Yes. We have prepared an exhibit entitled  
20 "CALL CENTER IMPROVEMENTS", Exhibit\_\_\_ (CO-27) and an  
21 exhibit entitled "CALL CENTER IMPROVEMENTS WORKSHEET,"  
22 Exhibit\_\_\_ (CO-28).

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1 MARK FOR IDENTIFICATION AS EXHIBIT\_\_\_ (CO-27) AND

2 EXHIBIT \_\_\_ (CO-28).

3 Q. Please explain the adjustments related to Bill  
4 Redesign.

5 A. The Company is reducing its funding requests related  
6 to envelope and paper costs, system software  
7 maintenance, and customer bill archival and retrieval.

8 Q. Please explain the adjustment related to envelope and  
9 paper costs.

10 A. The Company received quotes from new vendors in August  
11 2009 for recycled envelope and paper pricing. The  
12 quoted prices are significantly lower than the  
13 previously quoted prices, that is, costs are reduced  
14 from a total of \$2.6 million, \$1.72 million for paper  
15 and \$876,000 for envelopes, to \$1.7 million, \$972,000  
16 for envelopes and \$771,000 for paper. The Company  
17 initially filed for an incremental increase of  
18 \$325,000 for envelopes and paper. The new quotes  
19 reduce costs for envelopes and paper by \$528,000 as  
20 compared to the historical period. This reduces the  
21 Company's funding request by \$854,000 starting RY 1.

22 Q. Were other adjustments made to Bill Redesign?

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1 A. Yes. A reduction was made to the cost for Bill  
2 Composition Dialogue software. The Company requested  
3 approximately \$214,000 in its initial filing for  
4 software and system maintenance. In July 2009 new  
5 maintenance contracts were executed that reduced the  
6 cost of Bill Composition Dialogue software by \$7,000.  
7 The Company's funding request for software and system  
8 maintenance is reduced by approximately \$7,000, from  
9 \$214,000 to \$206,000.

10 Q. Please continue.

11 A. A reduction was also made to the customer bill  
12 archival and retrieval cost. In negotiations with the  
13 vendor in July 2009, the vendor reduced the quoted  
14 price for the bill archival and retrieval tool from  
15 \$378,000 to \$342,000. This reduces the Company's  
16 funding request by \$36,000.

17 Q. What is the total amount of the adjustment to Bill  
18 Redesign O&M expenses?

19 A. The Company request is reduced by \$894,000 from \$3.2  
20 million to \$2.3 million starting in RY 1.

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1 Q. Have you prepared, or had prepared under your  
2 supervision, an exhibit with adjustments associated  
3 with Bill Redesign costs?

4 A. Yes. We have prepared an exhibit entitled  
5 "BILL REDESIGN", Exhibit\_\_\_ (CO-29), and an exhibit  
6 entitled "BILL REDESIGN WORKSHEET," Exhibit\_\_\_(CO-30).

7 MARK FOR IDENTIFICATION AS EXHIBIT\_\_\_ (CO-29) and  
8 EXHIBIT \_\_\_(CO-30).

9 Q. Please explain the adjustment to cost associated with  
10 the postal discount processes.

11 A. Con Edison processes 51 million pieces of mail each  
12 year. By using software that bar-codes bulk mail and  
13 the service of a vendor to re-process mail that cannot  
14 be processed by Con Edison, the Company achieves  
15 savings on postage costs.

16 In our initial filing the Company requested a  
17 total of \$220,000 in incremental O&M funds in RY 1:  
18 \$80,000 for software maintenance and \$140,000 related  
19 to re-processing mail without a bar code. This  
20 request was based on a vendor pricing proposal.  
21 Subsequent to the Company's initial filing, Con Edison  
22 negotiated and entered into the new mail re-processing

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1 agreement that is significantly less costly than was  
2 anticipated.

3 Q. What is the affect of the new mail re-processing  
4 agreement on the Company's initial filing?

5 A. Costs associated with mail re-processing are reduced  
6 by \$100,000, from \$140,000 to \$40,000. There is no  
7 change to the \$80,000 cost associated with the  
8 maintenance contracts for the software applications.

9 Q. What is the Company's total updated incremental O&M  
10 request?

11 A. The Company's request for funding for Postal Discount  
12 Processes is reduced by \$100,000 to \$120,000 for RY 1.  
13 No further O&M increases are expected after RY 1.

14 Q. Have you prepared, or had prepared under your  
15 supervision, an exhibit that shows adjustments to the  
16 costs for postal discount processes?

17 A. Yes. We have prepared an exhibit entitled  
18 "POSTAL DISCOUNT PROCESSES", Exhibit\_\_\_(CO-31), and an  
19 Exhibit entitled "POSTAL DISCOUNT PROCESSES  
20 WORKSHEET," Exhibit\_\_\_(CO-32).

21 MARK FOR IDENTIFICATION AS EXHIBIT\_\_\_(CO-31) and  
22 EXHIBIT \_\_\_ (CO-32).

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1 Q. What is the net affect of all the O&M adjustments,  
2 including the reduced costs associated with MHP  
3 maintenance described above?

4 A. The total net change related to these programs is a  
5 reduction of \$335,000.

**CALL CENTER IMPROVEMENTS**

6  
7 Q. In his testimony Staff witness Insogna notes that the  
8 Company has proposed the following capital  
9 expenditures for the Rate Year: \$413,000 for  
10 Automatic Call Distribution (ACD) system replacement,  
11 \$3.0 million for the Voice Response Unit (VRU), \$1.0  
12 million for business continuity, and \$350,000 for Call  
13 Center workstations. Is this statement of the  
14 Company's proposal for capital expenditures correct?

15 A. No. In the Rate Year the Company proposes capital  
16 expenditures of approximately \$430,000 for ACD  
17 replacement. The Company did not propose expenditures  
18 for Call Center workstations in the Rate Year.

19 Q With respect to the Company's proposals to replace the  
20 ACD system and the existing telephone self-service  
21 system VRU applications, Mr. Insogna claims that these  
22 proposals are unnecessarily aggressive, first, because

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1 the present VRU system will be supported until 2013  
2 and therefore the replacement can be implemented at a  
3 later date and, second, because Con Edison proposes to  
4 undertake the replacement of these major systems  
5 simultaneously. Please explain the Company's position  
6 on these assertions and Mr. Insogna's conclusion.

7 A. The Company is replacing the existing VRU system  
8 because the existing vendor has advised the Company  
9 that our VRU employs outdated technology that will not  
10 be supported beyond 2013. Contrary to Mr. Insogna's  
11 concerns, the funding requested will not be used to  
12 implement a new VRU self service infrastructure. The  
13 new VRU and initial pilot applications are currently  
14 being tested and will be operational during the fourth  
15 quarter of 2009. Since work on the ACD will not begin  
16 until late in 2010, there will be no "simultaneous  
17 implementation" of a VRU system with the new ACD  
18 system. In addition, the Company's "significant  
19 investment" in Mr. Insogna's characterization was not  
20 in an old system still in use but rather in the new  
21 system. The Company's request for an additional \$7.9  
22 million in funding over three years is to provide for

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1 the reengineering and rewriting of the existing self-  
2 service applications for use in the new VRU self-  
3 service system.

4 Q. Why is it important that the existing self-service  
5 applications be rewritten starting in 2010?

6 A. Currently there are thirty-five VRU self-service  
7 applications available to customers. These  
8 applications satisfy more than 55 percent of all  
9 inbound customers calls received without the  
10 customer's speaking with a CSR. Such volume handled  
11 manually would require the equivalent of approximately  
12 300 CSRs. Due to this it is critical that there be a  
13 smooth transition of self-service applications from  
14 the old system to the new system.

15 The Company recognizes the complexity of  
16 replacing systems like the existing VRU and for that  
17 reason developed a tiered replacement strategy -  
18 namely, to get the new IVR infrastructure installed  
19 and tested before migrating the applications. Once  
20 the infrastructure is installed and tested by the  
21 fourth quarter of 2009, then the applications can be  
22 re-written to operate with the new IVR system over a

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1 period of three years to minimize the risks and  
2 concerns raised by Mr. Insogna.

3 This approach will provide that the majority of  
4 installation and implementation issues or as Mr.  
5 Insogna puts it "bugs that need to be ironed out,"  
6 will be resolved and cleared by the end of 4Q09 and  
7 provide for a smooth transition to the new  
8 applications over the next three rate years. The new  
9 system's design and integration test results have  
10 demonstrated that the new IVR platform will support  
11 the self-service applications that are currently  
12 available to customers in the existing VRU system.

13 Q. In spite of the Company's being confident that the  
14 replacement of the VRU and ACD can be successfully  
15 executed over the same period of time, Mr. Insogna  
16 notes in his testimony that there may be some  
17 opportunity to avoid the implementation of these two  
18 systems at the same time if the existing VRU vendor  
19 reverses its decision and continues to support the  
20 system beyond that date, "which it may do if pressured  
21 to do so by major clients such as Con Edison." Has

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1 the Company received any indication that the vendor  
2 will continue to support the VRU beyond 2013?

3 A. No. The existing VRU vendor has made it clear to the  
4 Company in our discussions with them that they are  
5 getting out of the VRU/IVR business. In fact, they've  
6 already publicly announced the end-of-life for the VRU  
7 system.

8 Q. Have you prepared, or had prepared under your  
9 supervision, an exhibit that provides information  
10 related to the VRU vendor?

11 A. Yes. We have prepared an exhibit entitled  
12 "VENDOR ANNOUNCEMENT", Exhibit\_\_\_ (CO-33).  
13 MARK FOR IDENTIFICATION AS EXHIBIT\_\_\_ (CO-33).

**CUSTOMER SERVICE SYSTEMS IMPROVEMENTS**

15 Q. In his testimony Mr. Insogna notes that the Company's  
16 proposed capital expenditures of \$3 million annually  
17 in 2010, 2011, and 2012 for work on the Company's  
18 Customer Service System represents an acceleration of  
19 CSS improvements and that expenditures should be  
20 deferred where possible until economic conditions in  
21 the Company's service territory improve.  
22 Specifically, Mr. Insogna recommends that capital

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1 expenditures be reduced by \$2 million in the Rate  
2 Year. Please explain the Company's position on this.  
3 A. The Company has proposed funding of approximately \$1  
4 million per year for the continuation of activities to  
5 extend the life of the CSS including the upgrading of  
6 the programming languages in which CSS was originally  
7 developed, updating of the revenue and statistics  
8 programs, the CSS customer letter facility and field  
9 reporting capabilities, and creation of interfaces to  
10 external systems. The Company has also proposed  
11 additional capital expenditures of \$2 million annually  
12 to pursue efforts related to the functional  
13 enhancement of CSS. These efforts would involve  
14 enhancing our present system through identification  
15 and modernization of targeted areas of the system,  
16 including large scale enhancements as necessary.  
17 While these enhancements will further leverage the  
18 present system, the Company appreciates Mr. Insogna's  
19 concerns with respect to the Company's additional  
20 funding proposal of \$2 million in the Rate Year.  
21 Alternatively, to reduce the Company's proposed  
22 capital expenditure, the Company could limit work on

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1       this program in RY 1. Under this plan, work would  
2       involve a consultant review of the operations and  
3       capability of the CSS suite to identify areas for  
4       enhancement. We estimate that such a study would cost  
5       \$200,000. This would reduce the Company's capital  
6       request from \$3 million to \$1.2 in the Rate Year. The  
7       Company's rate base calculation does not reflect this  
8       adjustment.

9    Q.   In addition to proposing a reduction to the Company's  
10       capital expenditures for CSS improvements, Mr. Insogna  
11       proposes that the increase to O&M funding proposed by  
12       the Company related to CSS activities be rejected.  
13       Please explain why the Company needs additional  
14       funding to support CSS activities.

15   A.   In addition to the capital work that the Company  
16       performs on the CSS, the Company performs ongoing  
17       required system changes not related to capital  
18       programs. Some of these changes are needed to meet  
19       mandated obligations and involve extensive work that  
20       must be supported by Company resources to ensure that  
21       customers are billed accurately.

22   Q.   Please continue.

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- 1 A. As part of its Customer Service System Improvements  
2 initiative, the Company requested \$400,000 of O&M  
3 funding beginning in the Rate Year for additional  
4 resources that are needed to support CSS maintenance,  
5 specification, development, and testing and ensure  
6 that changes to CSS programs are implemented in an  
7 efficient and timely manner. Due to legislative and  
8 regulatory changes, the Company's rates and programs  
9 have grown more complex, and the Company does not have  
10 sufficient resources to support these requirements.  
11 The Company has requested additional O&M funding to  
12 support ongoing required system changes that are not  
13 related to capital programs.
- 14 Q. Please provide examples of recent required system  
15 changes driven by regulatory or legislative mandates.
- 16 A. Examples of required system changes are: changes to  
17 the calculation of electricity commodity prices  
18 ordered by the Commission; changes to Net Metering  
19 enacted by the NYS Legislature; legislated changes to  
20 the Public Service Law §18-a assessment applicable to  
21 electric, gas and steam service revenues and  
22 Commission requirements associated with billing;

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1 changes to the applicability of sales tax to retail  
2 access delivery service enacted by the City of New  
3 York; and sales tax changes applicable in the  
4 Peekskill School District. Addressing the business  
5 requirements associated with each of these mandated  
6 changes involves extensive work by Company resources  
7 on the CSS. For some of these changes, the Company  
8 had to make changes to bill calculation routines, bill  
9 presentation, bill messaging, financial reporting and  
10 the Customer Service Online internet site. For net  
11 metering, additional changes to the Company's system  
12 were needed and involved modifications for billing of  
13 net metered usage for interval customers where  
14 intervals are netted on an hourly basis. For some  
15 mandated programs, changes included modifications to  
16 rate tables and bill calculation tools for CSRs.

17 Q. If the Company is understaffed, how has it been able  
18 to perform work on mandated programs?

19 A. The Company has deferred non-mandated system work,  
20 even though such work could enhance service to  
21 customers and improve system reliability and  
22 performance. The many non-mandated system changes

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1 that are pending as a result include modifications to  
2 meter reading, turn-ons, billing, and replevin  
3 activities, which modifications were requested by user  
4 groups to enhance their business processes. In  
5 addition there are modifications to bill messaging and  
6 credit process enhancement and automation that  
7 directly impact customer service.

**AUTOMATED METER READING**

8  
9 Q. In his testimony CPB witness Schultz makes reference  
10 to the Company's funding request for O&M expenses  
11 associated with AMR. He notes that the Company's  
12 funding request for \$389,000 was not supported. Is he  
13 correct?

14 A. No. The Company submitted a detailed breakdown of O&M  
15 expense components of \$389,000 for RY 1 in response to  
16 CPB IR 171. Company books and records were relied upon  
17 to establish historic costs that are expected to  
18 continue in this ongoing project in the rate year. In  
19 addition, the Company recognized that vehicle-related  
20 costs had not been included as O&M expenses  
21 previously.

22



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1 Service System Improvements for a total cost of  
2 \$400,000 but none of the positions have yet been  
3 filled. Please explain the Company's plan for filling  
4 these positions.

5 A. The Company plans to begin performing recruitment  
6 activities for these positions early in 2010.

7 **CUSTOMER SERVICE PERFORMANCE INCENTIVE MECHANISM**

8 Q. Mr. Insogna recommends that the customer service  
9 performance incentive ("CSPI") mechanism currently in  
10 effect for Con Edison be modified. Please summarize  
11 your understanding of the changes proposed by Mr.  
12 Insogna.

13 A. Mr. Insogna proposes to (1) eliminate several existing  
14 performance measures; (2) modify the threshold levels  
15 for the PSC Complaint Rate measure and two Survey  
16 measures, (3) establish a tiered structure of  
17 threshold levels and negative financial adjustments  
18 for the three Survey measures; and (4) adjust the  
19 maximum adjustments associated with the performance  
20 measures that will continue in effect in order to  
21 maintain the current \$40 million maximum aggregate  
22 adjustment.

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- 1 Q. Do you agree with Mr. Insogna's proposals?
- 2 A. No. The Company opposes any changes to the types of  
3 activities measured by the existing CSPI.
- 4 Q. Please explain.
- 5 A. The customer service performance metrics currently in  
6 place measure the following areas: PSC complaint  
7 rate; survey measures of the satisfaction of electric  
8 emergency callers, other non-emergency callers to the  
9 Company's telephone centers, and visitors to the  
10 Company's service centers; time to complete new and  
11 additional service jobs; percent of meters read on  
12 cycle; percent of telephone calls answered; billing  
13 accuracy; routine investigations, percentage completed  
14 within 30 days; and the Outage Notification Incentive  
15 Mechanism (ONIM), a measurement of the Company's  
16 performance in customer notification of service  
17 outages. As Mr. Insogna states in his testimony, he  
18 proposes to eliminate these metrics because "as a  
19 threshold matter, the Company's performance in  
20 specific areas related to customer service . . . will  
21 be captured in the broader measures of PSC Complaint  
22 Rate and customer survey scores" (P. 22 - 23) that Mr.

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1       Insogna proposes to continue. The Company does not  
2       agree that its performance in these areas will  
3       necessarily be reflected in the select performance  
4       measures that Mr. Insogna proposes to maintain.

5    Q.    Please continue.

6    A.    As the Company has testified previously, performance  
7       mechanisms and associated negative financial  
8       adjustments present an unwarranted punitive approach  
9       to the improvement of service quality. The negative  
10       financial implications for the Company ultimately  
11       operate to the detriment of the Company's customers.  
12       In addition, the negative rate adjustments proposed  
13       are disproportionate in value to the activity that the  
14       performance measure tracks. However, short of  
15       discontinuation of the CSPI, the mechanism should  
16       remain as is because the individual metrics provide  
17       for a more accurate assessment of the Company's  
18       performance than the use of the few "broad measures"  
19       (p. 22) that Mr. Insogna advocates and are a fairer  
20       method of imposing rate adjustments if performance  
21       falls short.

CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE

ELECTRIC

1 Q. What specific concerns does the Company have with  
2 respect to Mr. Insogna's proposals?

3 A. The Company disagrees with Mr. Insogna's revised  
4 threshold levels for the PSC Complaint Rate measure  
5 and his proposal to increase the maximum payment  
6 amounts for the PSC Complaint Rate and Survey  
7 measures.

8 Q. Please explain the Company's opposition to Mr.  
9 Insogna's proposal to reduce the threshold level for  
10 the PSC Complaint Rate from 2.6 to 2.5 complaints per  
11 100,000 customers.

12 A. Although Mr. Insogna's analysis takes into account the  
13 Company's historical performance on this measure over  
14 a three-year period, it does not include a  
15 consideration of possible aberrations in performance  
16 that may occur over an annual period as a result of  
17 extreme conditions that may be experienced by  
18 customers over this period.

19 A review of complaints received in 2009 year-to-  
20 date indicates that 70% of complaints received are  
21 credit-related, that is, they address customers'  
22 failure to pay their bills when due and the impacts of

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 non-payment. Customer bill payment is affected by  
2 events and circumstances that are outside of the  
3 Company's control, such as bills that reflect the high  
4 cost of purchased power and household income affected  
5 by weak economic conditions. In spite of the  
6 Company's efforts to provide customers with level  
7 billing and deferred payment arrangements to mitigate  
8 these circumstances, sustained periods of economic  
9 hardship for some customers cause more complaints to  
10 be filed. When such circumstances persist over many  
11 months, the Company could be subjected to the  
12 assessment of a huge penalty.

13 For example, during the summer of 2008 when  
14 supply prices soared along with problems in the  
15 economy, the monthly PSC complaint rate spiked to a  
16 level well above 2.5 per 100,000 customers. Prolonged  
17 periods of high supply prices could jeopardize our  
18 ability to meet the goal. And it takes very few  
19 additional complaints to trigger a penalty - for  
20 instance, the difference between the 2.5 and 2.6  
21 complaints is about three complaints over the  
22 Company's entire 3.2 million customer population.

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 The proposals in this case to modify the design of  
2 residential rates, while intended to have a beneficial  
3 impact on customers' use of service, may also be a  
4 source of complaints and negative responses to  
5 customer surveys.

6 Q. What negative financial adjustments should the Company  
7 be exposed to if the Commission were to adopt Mr.  
8 Insogna's revised CSPI?

9 A. We propose there be no change from the current levels  
10 applicable to the measures that will continue.  
11 Absent a demonstration that the existing adjustment  
12 amounts have not been effective in providing the  
13 Company an incentive to meet the threshold levels,  
14 there is no basis for a change to the adjustment  
15 levels.

16 Q. Have the existing adjustment levels been effective?

17 A. Accepting for purposes of this response that a  
18 financial adjustment is needed to provide the Company  
19 an incentive to meet these performance thresholds, the  
20 answer is "yes," the existing levels have been  
21 effective. Mr. Insogna himself acknowledges that the

CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE

ELECTRIC

1 Company has consistently achieved the threshold levels  
2 under the existing mechanism.

3 Q. If the Commission accepts Mr. Insogna's proposed  
4 change to the threshold performance levels for the PSC  
5 Complaint Rate measure, should the Commission adopt  
6 Mr. Insogna's proposed adjustments?

7 A. Absolutely not.

8 Q. Please explain why.

9 A. Assuming the Commission accepts Mr. Insogna's proposal  
10 to change the threshold levels "to represent a normal  
11 level of service that the Company is capable of  
12 delivering and that its customers have come to expect"  
13 (p. 26), Mr. Insogna provides no rationale for  
14 increasing the adjustments associated with the revised  
15 targets for the PSC Complaint Rate measure (or, for  
16 that matter, customer surveys). However, one can  
17 easily infer from Mr. Insogna's proposals that they  
18 are structured solely to maintain the current \$40  
19 million aggregate payment level.

20 Q. Is there any reasonable basis for maintaining this  
21 aggregate payment level?

CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE

ELECTRIC

1 A. No, there is not. First, there is no basis in the  
2 record in this case, or any prior Company proceeding,  
3 that the Company should be subject to an aggregate  
4 rate adjustment of \$40 million for its customer  
5 service performance. The Commission has established  
6 financial adjustment levels that it has determined are  
7 appropriate on a measure by measure basis. There is  
8 no rational basis for increasing, much less tripling,  
9 adjustments for the remaining performance measures  
10 based on a Commission determination that one or more  
11 existing measures is no longer required.

12 Second, since the alleged purpose of the  
13 adjustments is to provide the Company an incentive to  
14 meet the threshold levels, Mr. Insogna has provided no  
15 basis for the Commission to conclude that the existing  
16 payment amounts are not adequate for the Company to  
17 meet the revised threshold levels he proposed.

18 Third, as explained above, while the Company has  
19 been successful in consistently achieving all PSC  
20 Complaint Rate targets over the years, circumstances  
21 in any one year could result in the Company missing a  
22 target. For such an event, Mr. Insogna has provided

CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE

ELECTRIC

1 no basis for subjecting the Company to a rate  
2 adjustment three times the existing levels. In the  
3 case of Mr. Insogna's revised PSC Complaint Rate  
4 measure, the proposed \$18 million adjustment for  
5 missing a customer complaint target is \$10 million  
6 more than the current adjustment for failing to  
7 provide required notices in a major outage, and  
8 therefore unreasonable and irrational on its face.

9 Q. What is your position regarding Mr. Insogna's proposed  
10 payment amounts for the Survey measures?

11 A. For the same reasons explained above for the PSC  
12 Complaint Rate measure, the Commission should reject  
13 Mr. Insogna's proposed payment levels. However, for  
14 these three measures, the Panel would not object to a  
15 small increase in the maximum payment amount.

16 Q. Why is that?

17 A. Mr. Insogna's modified CSPI would establish a tiered  
18 structure for these three Survey measures, in lieu of  
19 the existing single tier. Accordingly, the Company  
20 does not object to there being a small increase in the  
21 maximum adjustment in return for smaller penalties at  
22 lower threshold levels. As set forth on our Exhibit

CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE

ELECTRIC

1       \_\_\_ (CO-34), we propose \$1 million, \$2 million and \$3  
2 million for the three tiers in lieu of the existing \$2  
3 million single-tier adjustment.

4 Q. Please comment on Mr. Insogna's proposal to reduce the  
5 Company's maximum exposure under the ONIM from \$8  
6 million to \$4 million.

7 A. Although the Company would gladly accept a reduction  
8 in this payment level, we cannot in good conscience  
9 argue that Mr. Insogna has provided a compelling  
10 rationale for reducing the ONIM adjustment in half,  
11 with one exception. We would note that when the ONIM  
12 was first established, the maximum adjustment was set  
13 at \$4 million, that the adjustment was doubled in Case  
14 07-E-0523 on the ground that "the higher amount is  
15 desirable as a measure of the significance of these  
16 standards in the context of the larger program," Order  
17 Establishing Rates for Electric Service (March 25,  
18 2008), p. 177, and that the Company believed that  
19 there was no reasoned basis provided in that case for  
20 doubling the ONIM payment amount.

21 Q. Do you have any other comments on the existing  
22 mechanism?

CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE

ELECTRIC

1 A. Yes. In the cover letter to its report on the  
2 Company's performance on the Customer Service  
3 Performance Mechanism for the year ended March 31,  
4 2009, the Company informed Staff that there was a  
5 typographical error in the definition of "Days to  
6 Complete - Final Phase" for non-vault jobs. The  
7 letter notes that the correct definition should read:

8 With respect to work orders on all non-vault  
9 electric final phase jobs completed in the  
10 reporting month, the average number of business  
11 days measured from receipt of a city certificate  
12 or completion of final inspection, whichever is  
13 later, to the date that service is energized.  
14 The date of final inspection will be the date  
15 displayed on the "field call sheets," which must  
16 be retained until Staff has verified the reported  
17 performance level.

18  
19 The CSPM should incorporate the corrected definition  
20 for this measure.

21 Q. Have you prepared, or had prepared under your  
22 supervision, an exhibit that summarizes Con Edison's  
23 comments on the CSPM?

24 A. Yes. We have prepared an exhibit entitled  
25 "CON EDISON CUSTOMER SERVICE PERFORMANCE INCENTIVE  
26 MECHANISM ", Exhibit\_\_(CO-34).

27 MARK FOR IDENTIFICATION AS EXHIBIT\_\_(CO-34).

28 LOW INCOME PROGRAM 2009

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 Q. Both Staff witness Insogna and CPB witness Collar  
2 discuss the Company's low income program. Do you have  
3 any comments regarding either of their low income  
4 discount proposals?

5 Q. Mr. Collar says that the Company does not actively  
6 promote the low income program. What does the Company  
7 do to inform customers about its program?

8 A. The Company undertakes many efforts to get eligible  
9 customers enrolled in its low income program.  
10 Customers who are enrolled under Social Service Law  
11 programs as Utility Guarantee and Direct Vendor  
12 recipients by the New York City Human Resources  
13 Administration (HRA) or the Westchester Department of  
14 Social Services (DSS) and customers who receive a HEAP  
15 grant are automatically enrolled in the low income  
16 program. The Company has also received information  
17 from HRA and DSS with respect to customers that are  
18 enrolled with them for other types of assistance.  
19 Customers are enrolled in the low income program based  
20 on this information and when a customer taking heating  
21 service from a provider other than the Company  
22 provides the Company with a HEAP award letter.

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1           The Company uses a number of means to inform  
2 customers about the various assistance programs that  
3 will make them eligible for low income rate. The  
4 Company informs customers of the availability of  
5 assistance through its advertisements, various  
6 publications and brochures, radio messages, and  
7 Outreach efforts at various community events. In  
8 addition, when a customer notifies the Company of a  
9 financial hardship that prohibits them from  
10 maintaining standard payment agreement terms, the  
11 Company sends information to the customer about  
12 assistance that may be received from HRA and their  
13 potential eligibility for assistance in paying their  
14 bills.

15 Q. In his testimony Mr. Collar expresses concern that the  
16 Company's low income program is undersubscribed with  
17 217,157 customers enrolled as of May 2009 while the  
18 current level of funding is adequate to support  
19 245,000 customers receiving one-year's worth of the  
20 \$7.68 monthly reduction. Further Mr. Collar notes  
21 that the "shortfall in enrollment could be attributed  
22 to the need for people receiving Food Stamps to

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 initiate enrollment on their own" (p.7) and recommends  
2 that the Company should actively promote its low  
3 income program to increase its enrollment level. Is  
4 the Company involved in any efforts to address the  
5 concerns cited by Mr. Collar?

6 A. Yes. The Company plans to expand its efforts to enroll  
7 customers in its low income program. First, the  
8 Company will continue its efforts with DSS and HRA to  
9 improve the information provided by these agencies on  
10 customers receiving assistance. As a result of these  
11 efforts HRA recently provided the Company with a  
12 comprehensive list of customers getting assistance  
13 under various programs including Food Stamps. This  
14 listing provided information on an additional 153,077  
15 customers eligible for the low income program.  
16 Funding needed to provide these customers with the low  
17 income customer charge would increase the cost of the  
18 program by \$13.7 million above Staff's adjustment of  
19 \$4.5 million for a total increase of \$17.7 million  
20 above existing funding. This increase is reflected in  
21 the Company's revised revenue requirement.

22 Q. Please continue.

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 A. The Company is also taking additional steps to inform  
2 customers about the low income rate and encourage  
3 participation. Information on the low income program  
4 will be provided in Customer News, Spotlight, ads, and  
5 other publications and at Outreach events in the  
6 community.

7 Q. Mr. Collar recommends (p. 7) that "the Commission  
8 order the Company to expend a portion of its  
9 Informational Advertising and Institutional  
10 Advertising program funding to advertisements directed  
11 to low-income individuals who may qualify for the low-  
12 income program but are unaware of its availability."  
13 Does the Company agree with this proposal?

14 A. No. It is not necessary for the Commission to require  
15 that funding be dedicated to advertising the low  
16 income program. In addition, the Company believes  
17 that its expanded efforts to enroll and inform  
18 customers about the low income rate that are described  
19 above will be successful at identifying the full  
20 extent of customers eligible for the low income rate.

21 Q. Mr. Collar also proposes that the Company be ordered  
22 to track "vital information related to the long term

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1            functionality and effectiveness of the low income-  
2            program." He states (p. 16) that "[p]roper tracking  
3            of various aspects of the program will help to improve  
4            both the implementation and evaluation of Con Edison's  
5            low income program on a going forward basis." In  
6            addition, Mr. Collar recommends that the Company  
7            should issue reports of this information to interested  
8            parties on a quarterly basis. Does the Company agree  
9            with this proposal?

10    A.    No. The Company opposes this proposal. Mr. Collar  
11            has not demonstrated how information that CPB  
12            requested in interrogatory requests such as the  
13            average arrearage amounts for low income customers or  
14            the total numbers of disconnections of low-income  
15            participants "will help to improve both the  
16            implementation and evaluation of Con Edison's low  
17            income program on a going forward basis" (p. 14). In  
18            addition, the institution of such recordkeeping and  
19            reporting will add administrative cost to this  
20            program. Previously the Company issued an annual  
21            report accounting for the number of low income  
22            customers and the annual cost of the program. The

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 Company maintains that this report provides sufficient  
2 information for the administration of its program.

**ESTIMATED METER READING**

3  
4 Q. New York Power Authority (NYPA) witnesses Chamberlin  
5 and Hedman express concerns related to estimated meter  
6 reads. Messrs. Chamberlin and Hedman note that "Con  
7 Edison indicates that nearly 15% of their total system  
8 billed demand data is not based on actual meter reads"  
9 (p. 22) and that "NYPA's analysis indicates that Con  
10 Edison estimated meter reads are nearly twice that  
11 percentage for NYPA customers" (p. 22). City of New  
12 York witness Rosenberg's testimony cites data provided  
13 by the Department of Citywide Administrative Services  
14 (DCAS) that provides information on 12-month rolling  
15 averages of the proportion of City's NYPA bills that  
16 were estimated as: 31.5% - twelve months ended June  
17 2007; 34% - twelve months ended June 2008; 39.9% -  
18 twelve months ended June 2009. According to Mr.  
19 Rosenberg, in two of the last 12 months the proportion  
20 of estimated bills was over 50%. Can the Company  
21 provide any additional information on this?

CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE

ELECTRIC

1 A. Messrs. Chamberlin and Hedman's characterization of  
2 Con Edison's response to NYPA IR 1-6 is completely  
3 inaccurate. That is, Con Edison did not indicate that  
4 that nearly 15% of the total system billed demand data  
5 is not based on actual meter reads; instead the  
6 Company provided system wide data on meter reading  
7 performance for all Con Edison customers that  
8 indicated that about 12% of meters are not read on  
9 cycle. In addition, once again, as with the data  
10 provided by City witness Chernick in the previous rate  
11 case, the information provided by the City on the  
12 proportion of estimated bills the NYPA issues to the  
13 City does not agree with Company billing information.  
14 Specifically, where Mr. Rosenberg testified that for  
15 the twelve months ended June 2007, 2008, and 2009 the  
16 percentage of City bills that were estimated was  
17 31.2%, 34% and 39.9% respectively, the Company's  
18 review of NYPA billing found that 12% of its bills  
19 issued for NYPA accounts in the last 12 months were  
20 based on estimated meter readings. Since the Company  
21 does not directly bill the City accounts, but provides  
22 billing determinants and Con Edison delivery charges

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 to NYPA so that NYPA can prepare and issue a combined  
2 bill to its customers, it is difficult for the Company  
3 to ascertain the reason for this large discrepancy  
4 between the estimated bills that the NYPA provides to  
5 its City customers and the billing data that the  
6 Company sends to NYPA.

7 Q. Does the Company experience any difficulty with  
8 reading City accounts?

9 A. Yes. The Company experiences problems accessing its  
10 meters in a significant number of City accounts due to  
11 the meters being in locations that are unattended and  
12 where it is difficult to arrange for access in advance  
13 of the meter reading date.

14 Q. Has the number of bills issued to NYPA based on actual  
15 meter readings improved over the last twelve months as  
16 compared to the prior period?

17 A. Yes. The Company has issued 4% more bills based on  
18 actual meter reads to NYPA over the performance  
19 reported for a similar period last year.

20 Q. What can this improvement be attributed to?

21 A. This year the Company has been working with NYPA and  
22 the City to improve access to Company meters. Also the

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 Company began assessing the feasibility of AMR  
2 technology for a segment of NYPA accounts in New York  
3 City with poor meter accessibility. The Company  
4 identified 800 locations where meters are capable of  
5 AMR conversion. The 800 meters cover most City  
6 agencies' accounts with the exception of the MTA. The  
7 omission of the MTA was agreed upon jointly by NYPA  
8 and the Company due to difficulties with wireless data  
9 communication in MTA facilities.

10 To date, over 250 AMR meters have been installed  
11 on NYPA accounts. We anticipate completion of the  
12 remaining 550 meters by the first quarter of 2010. The  
13 Company also plans to expand the initiative by  
14 identifying additional meters with poor accessibility  
15 in our efforts to improve the billing data sent to  
16 NYPA for billing its customers.

17 Q. Do you agree with Mr. Rosenberg's recommendations with  
18 respect to addressing the City's experience with  
19 estimated bills? That is, Mr. Rosenberg recommends  
20 that 1) a metric should be included in the Company's  
21 performance standards for estimated reads for City of  
22 New York accounts, 2) the Commission should direct the

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 Company to expand AMR to include government owned  
2 buildings and facilities, and 3) the tariff be amended  
3 to include new rules, specified by Mr. Rosenberg, for  
4 how estimated bills should be calculated along with a  
5 provision that the Company would not be allowed to  
6 recover any revenues lost through the implementation  
7 of this alternate billing arrangement.

8 A. No. The estimated billing methodologies and  
9 performance standards the Mr. Rosenberg proposes  
10 should not be adopted as they would penalize the  
11 Company for circumstances beyond its control. As  
12 stated previously, billing data is sent to NYPA and  
13 NYPA develops the billing for its customers. The  
14 Company does not have any way of knowing the number of  
15 estimated bills NYPA sends to its customers. When the  
16 Company is unable to read the meter, a bill based on  
17 estimated readings is provided to NYPA. If the  
18 Company has an actual reading but the reading is  
19 anomalous, it may withhold the information while it  
20 makes another attempt to verify the reading with a  
21 field visit. In that circumstance, NYPA may issue a  
22 bill to its customer based on its own estimated meter

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 reading, apart from Con Edison. If the reading is  
2 later obtained, confirmed or corrected the Company may  
3 provide a bill based on the actual reading to NYPA,  
4 but the Company does not know whether NYPA then  
5 utilizes the actual reading in billing its customer.  
6 The Company also does not know whether NYPA may  
7 estimate meter readings, apart from Con Edison, for  
8 other circumstances.

9 The Company strives to read every meter and issue  
10 billing data based on actual readings. Also,  
11 customers have a responsibility to provide access to  
12 their meters to the Company. When the Company is not  
13 provided access to read our meters, our billing data  
14 is based on estimated readings.

15 As noted above, access issues are not uncommon  
16 for New York City NYPA accounts since these include  
17 locations that are unattended such as parks, schools,  
18 cemeteries and transit stations. Although Mr.  
19 Rosenberg proposes that the Company be directed to  
20 expand AMR to include government owned buildings and  
21 facilities, AMR technology will not work in all  
22 locations. In the case of the MTA, some meters are

**CUSTOMER OPERATIONS PANEL - REBUTTAL/UPDATE**

**ELECTRIC**

1 located in transit tunnels, foot prints of bridges and  
2 in subterranean cellars where wireless technology  
3 cannot communicate for meter reading purposes. NYPA  
4 has acknowledged their understanding that the AMR  
5 cannot be used to resolve these types of access  
6 problems.

7 Rather than the imposition of billing  
8 methodologies and performance standards that penalize  
9 the Company, resolution of billing issues can best be  
10 served through collaborative efforts between the City,  
11 NYPA and the Company.

12 Q. Does this conclude your testimony?

13 A. Yes.

**2009 Capital and O&M– Customer Operations**

<b>Project/Program Title</b>	Mandatory Hourly Pricing (MHP)
<b>Status</b>	Meter Installation/System Development
<b>Estimated Service Date</b>	May 2011 – full implementation
<b>Work Plan Category</b>	Regulatory

**Work Description:**

The Company’s expansion of MHP billing was approved in the Commission’s March 25, 2008 rate order in Case 07-E-0523. Pursuant to this order, the Company is expanding MHP to customers whose maximum demand is over 500 kW in any month during an annual period ending September 30<sup>th</sup> (approximately 1,560 customers). MHP expansion will be implemented in phases. The first phase would be directed to the larger customers with maximum demand of over 1 MW and up to 1.5 MW (310 customers). The second phase would be directed to customers with maximum demand over 500 kW and up to 1 MW (1,250 customers).

Funding is needed to complete the implementation of the Meter Data Management System (“MDMS”) that is needed to support billing of the greater number of customers that will be billed under MHP. Funding is also needed to provide for O&M costs associated with MHP expansion including meter communication costs and the maintenance and support of metering and billing activity for the additional customers that will be billed via hourly interval metered data. Funding is also needed for a MHP customer education program.

**High-level schedule**

- Information Exchange to educate customers February 2009
- Interval metering installed for **Phase I** customers March 31, 2009
- Interval data available to **Phase I** customers April 2009 – October 2009
- Phase I customers billed to hourly prices November 2009
- Information Exchange to educate customers April 2009
- MDMS implementation 1<sup>st</sup> quarter 2010
- Interval metering installed for **Phase II** customers March 31, 2010
- Interval data available to **Phase II** customers April 2010 – April 2011
- **Phase II** customers billed to hourly prices May 2011

**Justification:**

The Commission has approved expansion of MHP and funding has been approved in the 2008/2009 Rate Plan. Funding is needed to address capital requirements to complete implementation and O&M costs associated with MHP expansion.

**Estimated Completion Date:** May 2011

**Status:** In progress

Current Working Estimate:

Funding (\$000): CAPITAL (excluding meter installation costs)

Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008
-	-	-	\$1,558	\$2,903

Approved 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013	Forecast/Approved Total 2009-2013
\$2,069	\$252	-	-	-	\$2,321

Funding (\$000): O&M

Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008
-	-	-	-	-

Approved 2009	Forecast RYE 2011	Forecast RYE 2012	Forecast RYE 2013	Forecast Total 2011-2013
\$316	\$1,456	\$1,456	\$1,456	\$4,368

**Mandatory Hourly Pricing Worksheet**  
**(\$000s)**

	<u>Forecast 2010</u>	<u>Forecast 2011</u>	<u>Forecast 2012</u>	<u>Forecast 2013</u>
<b><u>Capital</u></b>				
Professional Services	\$252	\$0	\$0	\$0
<b><u>O&amp;M</u></b>	<b><u>RY0</u></b>	<b><u>Forecast RYE 2011</u></b>	<b><u>Forecast RYE 2012</u></b>	<b><u>Forecast RYE 2013</u></b>
Communications		\$ 615	\$ 615	\$ 615
Maintenance - Hardware		\$ 0	\$ 0	\$ 0
Maintenance - Database		\$ 48	\$ 47	\$ 47
Maintenance - Software		\$ 0	\$ 35	\$ 35
Maintenance Support Staff – MDMS		\$ 246	\$ 246	\$ 246
Outreach and Education		\$ 70	\$ 70	\$ 70
Billing Staff - MHP		\$ 316	\$ 316	\$ 316
Metering Support -MHP		\$ 161	\$ 161	\$ 161
<b>Total</b>	<b>\$ 316</b>	<b>\$ 1,456</b>	<b>\$ 1,456</b>	<b>\$ 1,456</b>

**2009 Capital and O&M- Customer Operations**

<b>Project/Program Title</b>	Cycle Meter Reading Handheld System
<b>Status</b>	Planning
<b>Estimated Service Date</b>	December 2011
<b>Work Plan Category</b>	Regulatory

**Work Description:**

The Company must replace its cycle meter reading system and handhelds before 2012 to ensure continued timely billing of our customers. The Company has been advised by the vendor that the system will not be supported beyond 2012. Work involves the purchase of approximately 470 handheld devices, 470 desk-based docking stations and compatible software. A one-year warranty for the handheld devices and docking stations will be included.

New internal hardware such as servers and desktop computers will also be purchased. It is estimated that 4 servers will be required to support the vendor applications and 24 desktop PCs and monitors to be used by dispatchers throughout the Company system. In addition, a system interface is required to integrate the Company data with the cycle meter reading system software.

**Implementation Schedule**

January - Issue RFP  
 February - Select Vendor / Award Contract  
 March – May - System Design / Integration / Testing  
 June – December - Conversion to New System

**Justification:**

The current cycle meter reading system and handhelds will not be supported by the vendor after 2012. The new system will provide us with the ability to read conventional and AMR meters with a handheld device or mobile collector installed in a vehicle and deliver these readings into the Company's Customer Service System. The system also enables automated route restructuring at the local level for the purpose of maintaining efficient routes. Replacement of the cycle meter reading handheld system is critical to ensure the timely billing of our customers.

**Estimated Completion Date:** 2011

**Status:** Planning

**Current Working Estimate:**

**Funding (\$000):** CAPITAL

Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008
-	-	-	-	-

Approved 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013	Forecast/Approved Total 2009-2013
-	-	\$4,655	-	-	\$4,655

- Authorization -
- Appropriation -

**Funding (\$000): O&M**

<b>Actual 2004</b>	<b>Actual 2005</b>	<b>Actual 2006</b>	<b>Actual 2007</b>	<b>Actual 2008</b>
-	-	-	-	\$440

<b>Approved 2009</b>	<b>Forecast RYE 2011</b>	<b>Forecast RYE 2012</b>	<b>Forecast RYE 2013</b>	<b>Forecast Total 2011-2013</b>
-	\$387	\$60	\$314	\$761

**Cycle Meter Reading Handheld System Worksheet**  
(000s)

<b>CAPITAL</b>	<b><u>Forecast</u> <u>2010</u></b>	<b><u>Forecast</u> <u>2011</u></b>	<b><u>Forecast</u> <u>2012</u></b>	<b><u>Forecast</u> <u>2013</u></b>
Hardware and Software (handhelds, docking stations, professional services)	\$0	\$3,970	\$0	\$0
Servers and Software Interface (includes desk top computers/monitors/printers)	\$0	\$300	\$0	\$0
Project Management	\$0	\$330	\$0	\$0
<b>Total Capital</b>	<b>\$0</b>	<b>\$4,600</b>	<b>\$0</b>	<b>\$0</b>
<b>O&amp;M</b>		<b><u>Forecast</u> <u>RYE 2011</u></b>	<b><u>Forecast</u> <u>RYE 2012</u></b>	<b><u>Forecast</u> <u>RYE 2013</u></b>
Maintenance Contracts (handhelds, mobile collectors and software)		\$387	\$60	\$314

**2009 O&M – Customer Operations**

<b>Project/Program Title</b>	Call Center Improvements – Call Recording System Maintenance and ICM System Maintenance
<b>Status</b>	Ongoing
<b>Estimated Service Date</b>	2012
<b>Work Plan Category</b>	Strategic IT Enhancements

**Work Description:**

Purchase of maintenance contracts for the following systems:

- Call Recording System
- Intelligent Contact Manager

• **Call Recording System**

The call recording system records customer calls and related screen content. The current version of the call recording system was purchased at the end of 2005. The purchase agreement included a discounted three-year maintenance contract which ended in 2009. A new maintenance agreement is required to ensure the functionality of the call recording system.

The annual maintenance cost for the call recording system is as follows:

<b>Maintenance Term</b>	<b>Annual O&amp;M Cost</b>
2009 – 2010	\$220,000
2010 – 2011	\$240,000
2011 – 2012	\$250,000

**Justification:**

The call recording system records a monthly average of 5.5 million minutes of voice and screen content information. The system is expected to remain in operation 24 hours a day, seven days a week and requires skilled maintenance and oversight to avoid system failure.

**Estimated Completion Date:** 2012

**Status:** On-going

• **Intelligent Contact Manager (ICM) System**

The ICM system provides the Call Center with call routing and Computer Telephony Integration (CTI) capabilities. CTI allows phone systems to integrate with computers that are networked. ICM interacts with CTI to route telephone calls and customer account information to Customer Service Representatives (CSRs).

The annual maintenance cost for the ICM system is as follows:

Maintenance Term	Annual O&M Cost
2009 – 2010	\$110,000
2010 – 2011	\$110,000
2011 – 2012	\$110,000

**Justification:**

The Call Center utilizes the ICM system to present customer account information to a CSR upon arrival of a customer call, or anytime after the call is in progress. As the CSR greets the caller, the ICM exchanges information with the CSR's Desktop application to present the CSR with pertinent account information. This process shortens call handling time and creates a convenience for customers.

The Company has secured a fixed price, multi-year maintenance and support contract for the ICM system beginning in 2009 and ending in 2012.

**Estimated Completion Date:** 2012

**Status:** On-going

**Current Working Estimate (if applicable):**

**Funding (\$000): O&M**

Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008
-	-	-	-	-

Approved 2009	Forecast RYE 2011	Forecast RYE 2012	Forecast RYE 2013	Forecast Total 2011-2013
	\$330	\$350	\$360	\$1,040

**Call Center Improvements Worksheet**  
**(000s)**

<b><u>CAPITAL</u></b>	<b><u>Forecast 2010</u></b>	<b><u>Forecast 2011</u></b>	<b><u>Forecast 2012</u></b>	<b><u>Forecast 2013</u></b>
Automatic Call Distribution (ACD) Replacement	\$ 52	\$1,564	\$1,043	\$ 0
IVR Self Service (includes Virtual Hold)	\$3,101	\$2,711	\$2,085	\$ 0
Business Continuity	\$1,043	\$ 521	\$ 0	\$ 0
CSR Workstations	\$ 0	\$ 0	\$1,407	\$0
Call Recording Upgrade	\$ 0	\$ 0	\$0	\$1,355
<b><u>Total Capital</u></b>	<b><u>\$4,196</u></b>	<b><u>\$4,796</u></b>	<b><u>\$4,535</u></b>	<b><u>\$1,355</u></b>
<b><u>O&amp;M</u></b>		<b><u>Forecast RYE 2011</u></b>	<b><u>Forecast RYE 2012</u></b>	<b><u>Forecast RYE 2013</u></b>
Automatic Call Distribution (ACD) Replacement – Accounts Payable Maintenance		\$0	\$0	\$28
IVR Self Service (includes Virtual Hold)- Accounts Payable Maintenance		\$95	\$285	\$745
Business Continuity – Accounts Payable Professional Services		\$50	\$50	\$50
CSR Workstations		\$0	\$0	\$0
Call Recording System – Accounts Payable Maintenance		\$220	\$240	\$250
Intelligent Contact Manager System – Accounts Payable Maintenance		\$110	\$110	\$110
<b><u>Total O&amp;M</u></b>		<b><u>\$475</u></b>	<b><u>\$685</u></b>	<b><u>\$1,183</u></b>

**2009 O&M – Customer Operations**

<b>Project/Program Title</b>	Bill Redesign
<b>Status</b>	In Service
<b>Estimated Service Date</b>	Ongoing
<b>Work Plan Category</b>	Regulatory

**Work Description:**

Maintenance contracts for key pieces of equipment have been secured to support the unbundled bill format. Maintenance contracts are required for upgrades to the mail inserters, software license fees for the bill composition dialogue software and publication software for the dialogue product. Funding for a more robust bill archival and retrieval function is needed. Transition is also being made to use environmental friendly recycled paper for bills and recycled envelopes.

**Justification:**

The additional costs cover the archival and retrieval of each customer's bill. Also some incremental costs have occurred due to the use of bill paper and envelopes made from recycled paper.

\$1.9 million of this funding was approved in Case 07-0523

**Funding (\$000): O&M**

<b>Actual 2004</b>	<b>Actual 2005</b>	<b>Actual 2006</b>	<b>Actual 2007</b>	<b>Actual 2008</b>
-	-	-	-	\$2,270

<b>Approved 2009</b>	<b>Forecast 2010</b>	<b>Forecast 2011</b>	<b>Forecast 2012</b>	<b>Forecast 2013</b>	<b>Forecast/Approved Total 2009-2013</b>
\$3,337	\$2,289	\$2,289	\$2,289	\$2,289	\$14,763

**Bill Redesign Worksheet  
(000s)**

<b>Item</b>	<b>Historical Year 2008</b>	<b>Rate Year 1</b>	<b>Incremental Amount</b>
<b>Envelopes</b>	\$1,573	\$973	(\$600)
<b>Paper</b>	\$697	\$771	\$74
<b>System/software maintenance</b>	\$0	\$206	\$206
<b>Customer Bill Archival and Retrieval Cost</b>	\$0	\$342	\$342
<b>Total O&amp;M Expenditures</b>	<b>\$2,270</b>	<b>\$2,292</b>	<b>\$22</b>

**2009 O&M- Customer Operations**

<b>Project/Program Title</b>	Postal Discount Processes
<b>Status</b>	Ongoing
<b>Estimated Service Date</b>	January 2010
<b>Work Plan Category</b>	Efficiency and Process Improvement

**Work Description:**

Bulk mail that is bar coded with the 9-digit zip code is eligible for discounted postal pricing. The United States Postal Service (USPS) will accept barcodes as accurate provided that proof is available that the mailing addresses have been recently matched to the USPS master 9-digit zip code list. To receive the discount, Con Edison utilizes software applications to: identify and affix a 9-digit bar code to each piece of mail; and reconcile the Company's address database to the USPS 9-digit zip code list. When the 9-digit zip code cannot be identified by the Company's software application, the mail is sent to a vendor for re-processing so that some level of discount on each piece of mail can be obtained; i.e. the vendor process will enable the mail to receive either a bulk rate or bar coded bulk rate discount.

Funding is needed to:

- Purchase annual maintenance contracts for the software applications used for identification and verification of 9-digit zip codes used on customer mail.
- Pay incremental vendor costs associated with re-processing mail.

**Justification:**

Con Edison processes 55 million pieces of mail each year. By using software that is needed to process bar coded bulk mail and the services of a vendor to re-process mail that cannot be processed by Con Edison, the Company achieves savings on postage costs.

**Software Maintenance Contracts**

Efficient operation of the software applications that the Company uses to process mail is needed to achieve postal pricing discounts. Maintenance contracts for these software applications will ensure that they remain operational and function as intended. The software maintenance contracts were initially purchased with the software and funded through the capital budget.

**Incremental Vendor Costs for Rejected Mail**

Bulk mail that is rejected by USPS is charged the standard first class mail rate. To minimize this occurrence, the Company uses a vendor to review and re-process rejected mail to achieve some level of postal discount. Effective 2010, the vendor is increasing its basic service fee and the fee it charges to re-process each piece of rejected mail. As a result, the Company will experience incremental vendor costs in 2010.

**Estimated Completion Date:** On-going

**Current Working Estimate (if applicable):**

Maintenance Contracts for Software	\$ 80,000
Rejected Mail Processing Fee Increase	<u>40,000</u>
Total	\$120,000

**Funding (\$000): O&M**

Actual 2004	Actual 2005	Actual 2006	Actual 2007	Actual 2008
-	-	-	-	-

Approved 2009	Forecast RYE 2011	Forecast RYE 2012	Forecast RYE 2013	Forecast Total 2011-2013
-	\$120	\$120	\$120	\$360

**Postal Discount Processes Worksheet**  
**(000s)**

<b><u>O&amp;M</u></b>	<b><u>Forecast RYE 2011</u></b>	<b><u>Forecast RYE 2012</u></b>	<b><u>Forecast RYE 2013</u></b>
Maintenance – Software Contracts	\$80	\$80	\$80
Rejected Mail Processing Fee	\$40	\$40	\$40
<b><u>Total O&amp;M</u></b>	<b><u>\$120</u></b>	<b><u>\$120</u></b>	<b><u>\$120</u></b>



VENDOR ANNOUNCEMENT EXHIBIT (CO-33)

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## Tier Reports Fiscal 2007 Fourth Quarter and Year-End Results

RESTON, Va., December 13, 2007 - Tier Technologies, Inc. (Nasdaq: TIER) today announced results for the quarter and fiscal year ended 2007 and provided updates on key strategic initiatives undertaken in fiscal 2007 and that it expects to undertake in fiscal 2008.

"Fiscal 2007 was a pivotal year for Tier," said Ronald Rossetti, Chairman and Chief Executive Officer for Tier. "We are seeking to divest non-core assets which, in the past, have limited our ability to focus on growing our EPP business and we are committed to making the investments in our EPP business that we believe are necessary to achieve long-term sustainable value for our shareholders."

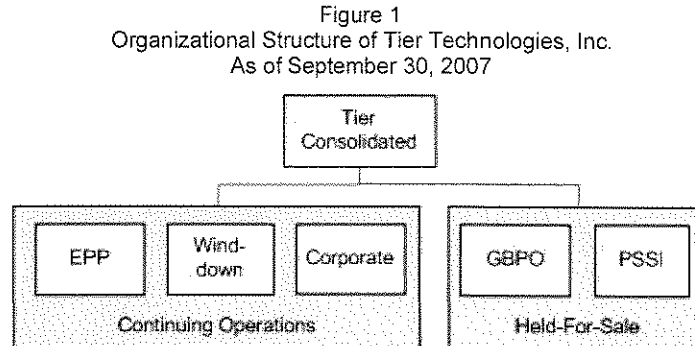
"We continue to experience strong growth in both sales and earnings from our electronic payment segment. During fiscal 2007, revenue from electronic payment processing represented nearly 90% of Tier's revenue from continuing operations. Electronic payment revenues and net income before corporate overhead increased over 26% and 50%, respectively, over last year's results," Mr. Rossetti continued. "We continue to make progress toward divesting our non-core assets and look forward to updating you on our future progress."

### Conference Call

Tier will host a conference call today at 5:00 p.m. Eastern Time to discuss these results. To access the conference call, please dial (888) 335-3240 and provide conference ID #27123028. The conference call will also be broadcast live via the Internet at [www.tier.com](http://www.tier.com). A replay will be available at [www.tier.com](http://www.tier.com) or by calling (800) 642-1687 and entering conference ID#27123028 from approximately two hours after the end of the call until 11:59 p.m. Eastern Time on December 27, 2007.

### FISCAL 2007 - A YEAR IN TRANSITION

During fiscal 2007, Tier undertook a strategic initiative to maximize long-term profitability and shareholder value. As part of that initiative, Tier concluded that it should focus its financial and managerial resources on growing its core business-Electronic Payment Processing, or EPP. Tier is seeking to sell the majority of its Government Business Process Outsourcing operations, or GBPO, and Packaged Software and Systems Integration, or PSSI, and to wind-down the remainder of these GBPO and PSSI operations over a five-year period. Figure 1 illustrates our overall structure as of September 30, 2007.



The non-core businesses that the Company is seeking to sell are classified as "held-for-sale" on its consolidated balance sheets and "discontinued operations" on its consolidated statements of income. All historical financial information presented in this earnings release has been reclassified to conform to the current year's presentation.

### Fiscal Year 2007 Results:

For fiscal year 2007, Tier reported a loss of \$3.0 million, or \$0.16 per fully diluted share, which represents a \$6.4 million or 68% improvement over the results reported for fiscal year 2006. Tier's continuing operations reported a loss of \$18.3 million, or \$0.94 per fully diluted share, while the Company's discontinued operations reported net income of \$15.2 million, or \$0.78 per fully diluted share.

Tier's continuing operations are composed of three major categories: Tier's core EPP business, wind-down operations and corporate overhead. During fiscal year 2007, EPP generated net income of \$8.4 million, or \$0.43 per fully diluted share, excluding allocation of corporate overhead expenses. This represents a \$2.8 million, or 50.5%, increase over fiscal 2006, primarily resulting from increases in the number of transactions and dollar volume processed by EPP.

Wind-down operations reported a loss of \$11.2 million, or \$0.58 per fully diluted share, including a \$9.2 million impairment loss recorded in fiscal 2007 to write down the carrying value of the Tier's wind-down operations to fair value. During fiscal 2008, we expect to wind down two businesses that generated the remaining losses and during the next five years we expect to wind down a third business that generated modest income in fiscal 2007.

Tier's corporate overhead, which includes the Company's governance and shared-service functions, reported \$15.4 million of net costs during fiscal 2007. We expect that the need for these shared services and other corporate functions will significantly diminish after we

EXHIBIT (CO-33)

sell and/or wind down our GBPO and PSSI businesses.

Tier's discontinued operations reported income of \$15.2 million, or \$0.78 per fully diluted share, an increase of \$5.8 million over fiscal 2006. Approximately \$8.1 million, or \$0.41 per fully diluted share, of the income reported for fiscal 2007 resulted from the reversal of a reserve for a 2003 tax refund, which received final approval from the Internal Revenue Service in March 2007 and other transactions related to the final close-out of Tier's Australian operations. The remaining \$7.1 million, or \$0.37 per fully diluted share, of income from discontinued operations reported in fiscal 2007 was generated by GBPO and PSSI operations that are held-for-sale. Although these operations generated income in fiscal 2007 on a standalone basis (excluding an allocation of corporate overhead costs), the expiration of two GBPO contracts and the completion of a number of PSSI projects in fiscal 2007 are expected to result in lower earnings in future years.

**Fourth Quarter Fiscal 2007 Results:**

For the quarter ended September 30, 2007, Tier reported a net loss of \$3.3 million or \$0.17 per fully diluted share, which represents a \$1.4 million, or 30%, improvement over results reported for the same quarter last year. Continuing operations generated a loss of \$2.5 million, or \$0.13 per fully diluted share, compared to a loss of \$6.4 million, or \$0.33 per fully diluted share, during the comparable 2006 quarter. The loss reported during the fourth quarter of fiscal 2007 includes: a \$0.4 million write-down of two wind-down businesses to fair value and a \$0.7 million adjustment to catch-up depreciation and amortization for a third wind-down business that was transferred from held-for-sale status to held and used during the fourth fiscal quarter. The loss reported for Tier's fourth quarter of fiscal 2007 also includes the costs of shared-services and other corporate functions, which we expect to decrease after we sell and/or wind-down our GBPO and PSSI businesses.

**Liquidity:**

As of September 30, 2007, Tier had \$74.3 million in cash and cash equivalents, and investments in marketable securities, and \$18.4 million in restricted investments. During fiscal year 2007, Tier's continuing and discontinued operations generated \$13.8 million of cash, of which \$0.4 million was generated by our continuing operations. During fiscal 2007, Tier received cash from the repayment of a note and interest totaling \$4.4 million and the sale of its minority interest in a PSSI investment. Tier has no short-term or long-term debt.

**FISCAL 2008 - TRANSITIONING TIER'S FOCUS TO EPP**

Tier expects that fiscal 2008 will be another transition year as it positions the company for EPP's long-term growth. In fiscal 2008, Tier expects to see strong revenue growth in its EPP business and to generate positive cash flows from operations. However, Tier expects to make significant investments to improve the efficiency and reduce the costs of EPP's back office structure. Tier also expects to expand its traditional governmental client-base to a commercial biller-direct payment processing space. The Company also expects to right-size its corporate operations once the divestiture process is complete. While Tier believes that certain of these initiatives will produce some cost savings in fiscal 2008, Tier expects that the cost of implementing these initiatives will outweigh those savings during fiscal 2008 and that it will incur a net loss in fiscal 2008.

[Click here](#) for the Financial Tables

**About Tier Technologies, Inc.**

Tier Technologies, Inc. primarily provides federal, state and local government and other public sector clients primarily with electronic payment processing and other transaction processing services. Tier Technologies is headquartered in Reston, Virginia. Its electronic payment processing clients include over 3,000 federal, state, and local governments, educational institutions, utilities and commercial clients throughout the U.S. Through its subsidiary, Official Payments Corp., Tier delivers payment processing solutions for a wide range of markets. For more information, see [www.tier.com](http://www.tier.com) and [www.officialpayments.com](http://www.officialpayments.com).

Statements made in this press release that are not historical facts are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Tier undertakes no obligation to update any such forward-looking statements. Each of these statements is made as of the date hereof based only on current information and expectations that are inherently subject to change and involve a number of risks and uncertainties. Actual events or results may differ materially from those projected in any of such statements due to various factors, including, but not limited to: the impact of governmental investigations; the potential loss of funding by clients, including due to government budget shortfalls or revisions to mandated statutes; the timing, initiation, completion, renewal, extension or early termination of client projects; the Company's ability to realize revenues from its business development opportunities; the timing and completion of the divestment of the Company's non-core assets; and unanticipated claims as a result of project performance, including due to the failure of software providers or subcontractors to satisfactorily complete engagements. For a discussion of these and other factors which may cause our actual events or results to differ from those projected, please refer to the Company's annual report on Form 10-K for the fiscal year ended September 30, 2007 filed with the SEC.

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## Con Edison Customer Service Performance Incentive Mechanism

Indicator	Current		Staff Proposal		Con Edison Proposal	
	Threshold Level	Payment Amount	Threshold Level	Payment Amount	Threshold Level	Payment Amount
PSC Complaint Rate	$\leq 2.6$	\$0	$\leq 2.5$	\$0	$\leq 2.6$	\$0
	$> 2.6 - \leq 2.8$	\$2,000,000	$> 2.5 - \leq 2.7$	\$6,000,000	$> 2.6 - \leq 2.8$	\$2,000,000
	$> 2.8 - \leq 3.0$	\$4,000,000	$> 2.7 - \leq 2.9$	\$12,000,000	$> 2.8 - \leq 3.0$	\$4,000,000
	$> 3.0$	\$6,000,000	$> 2.9$	\$18,000,000	$> 3.0$	\$6,000,000
Customer Satisfaction Survey of Emergency Callers (Electric Only)	$\geq 80.0$	\$0	$\geq 79.0$	\$0	$\geq 79.0$	\$0
	$< 80.0$	\$2,000,000	$< 79.0 - \geq 76.0$	\$2,000,000	$< 79.0 - \geq 76.0$	\$1,000,000
			$< 76.0 - \geq 73.0$	\$4,000,000	$< 76.0 - \geq 73.0$	\$2,000,000
Customer Satisfaction Survey of Phone Center Callers (Non-Emergency)	$\geq 82.0$	\$0	$\geq 82.0$	\$0	$\geq 82.0$	\$0
	$< 82.0$	\$2,000,000	$< 82.0 - \geq 80.0$	\$2,000,000	$< 82.0 - \geq 80.0$	\$1,000,000
			$< 80.0 - \geq 78.0$	\$4,000,000	$< 80.0 - \geq 78.0$	\$2,000,000
Customer Satisfaction Survey of Service Center Visitors (includes Walk-in Centers)	$\geq 83.0$	\$0	$\geq 84.0$	\$0	$\geq 84.0$	\$0
	$< 83.0$	\$2,000,000	$< 84.0 - \geq 82.0$	\$2,000,000	$< 84.0 - \geq 82.0$	\$1,000,000
			$< 82.0 - \geq 80.0$	\$4,000,000	$< 82.0 - \geq 80.0$	\$2,000,000
Outage Notification	n/a	\$8,000,000	n/a	\$4,000,000	n/a	\$ -
Five Other Measures	Various	\$20,000,000	None	\$0	None	\$0