Date Filed: September 15, 2026

Witness: Jared A. Lawrence and Elizabeth N. Jones
Request from: Office of Consumer Counsel

Question:

Exhibit CLP-CUSTOMER-1: Customer PIM Suite
(Digital Customer Engagement) RE02 treats customer data engagement as a Metric rather than a PIM. The Company states that digital transactions have increased from approximately 88% to more than 92% over the past five years and that its proposed 92.18% target reflects performance that is already "nearing the performance ceiling." Please explain why performance above the proposed target warrants contributing to a positive financial incentive, including the incremental customer benefit expected from further increases in digital engagement and why such performance would not occur absent the incentive.

Response:

With digital customer engagement now over 90%, the Company has reached a point of digital saturation. Future gains in digital customer engagement will be difficult to come by, and with so many customers using digital channels already, there do not remain large opportunities to increase the number of customers who use the digital channels. Conversely, there will always be reasons why customers need to call in and transact on non-digital channels, so that the Company's expectation is that digital customer engagement will never reach 100 Percent. In this context, customer expectations and security needs do continue to evolve in the digital space and the Company must continue to invest in the digital space in order to maintain the current digital customer engagement rate. Therefore, performance above the proposed target will require a significantly higher investment on the Company's part compared to just maintaining the digital customer engagement rate. Digital channels increasingly play a part in providing a strong customer experience, particularly as technology advances.

Including the Digital Customer Engagement measure within the PIM suite, and allowing for a positive financial incentive, as well as financial penalty, is appropriate because it provides the Company with an additional mechanism to encourage continuous improvement to the quality of customer interactions and reinforce behaviors that contribute to a positive customer experience. The five components of the customer PIM suite collectively reflect different aspects of the Company's service to customers and provide a more comprehensive measure of customer performance as discussed in response to OCC 527[i].

Prior Referenced Response:

[i] OCC-527 Question:

(Level 1 DER Interconnection Processing) The RE02 Performance Evaluation System identifies Level 1 DER Interconnection as a standalone potential PIM. The Company instead proposes to include Level 1 DER Interconnection Processing as one of five components of its Customer PIM Suite. Please explain why the Company selected a composite structure rather than the standalone PIM identified in RE02, including how incorporating Level 1 DER, Interconnection performance into the Customer PIM Suite is expected to improve interconnection performance.

OCC-527 Response:

The Company selected a composite PIM structure for its customer metrics, including Level 1 DER Interconnection Processing, because customer experience is multidimensional and more appropriately evaluated through a balanced set of performance measures rather than singularly measuring customer metrics in isolation. The five components of the customer PIM suite collectively reflect different aspects of the Company's service to customers and provide a more comprehensive measure of customer performance. Including Level 1 DER Interconnection Processing as one component of the composite PIM suite recognizes the importance of timely and effective interconnections processing, while avoiding placing disproportional emphasis on a single customer facing operational measure.

A standalone PIM for Level 1 DER Interconnection Processing could inadvertently prioritize focus on performance for this metric at the possible expense of other important customer outcomes. The composite structure instead encourages the Company to maintain balanced performance across a full range of customer-focused objectives.

The use of the composite PIM does not diminish the significance of Level 1 DER, Interconnection Processing performance but rather recognizes that it is one of several important dimensions of customer service. The composite approach provides a more comprehensive performance framework that is less susceptible to unintended consequences for measuring, penalizing and/or rewarding customer performance versus a stand-alone PIM approach.