



Department of Public Service

Consumer Complaints Were Generally
Addressed Within Expected Timeframes
but Performance Measurement Had
Flaws



Mission Statement

The mission of the Auditor's Office is to hold State government accountable by evaluating whether taxpayer funds are being used effectively and identifying strategies to eliminate waste, fraud, and abuse.

Audit Team

Andrew Keegan, Senior Auditor
Linda Lambert, Director, Information
Technology and Performance Audits

Dear Colleagues,

Vermonters depend on public utilities for essential services such as heat, water, and electricity. Consumers who have an issue with their utility service can file a complaint with the Department of Public Service's Consumer Affairs and Public Information Division (CAPI).

Between January 1, 2022 and December 31, 2024, CAPI staff investigated nearly 3,000 consumer complaints about things such as poor customer service, billing issues, and service disruptions. We reviewed how CAPI handled these complaints and measured performance of the complaint process as part of a series of audits evaluating how various State entities handle complaints from the public.

Overall, we found that CAPI's complaint handling program generally resulted in a resolution of the consumers' issues within their goal of 30 days. Consumers' issues were addressed in various ways. Sometimes CAPI received an answer or explanation from the utility or was informed that the utility had taken action to resolve technical or billing issues. In many of the complaints we reviewed, consumers also received compensation from the utility.

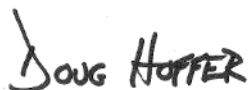
However, we found that staff did not always follow a consistent process when handling complaints because CAPI lacked procedures with clear expectations for how and when staff should take certain actions. The lack of procedures also resulted in inconsistencies and errors in the complaint handling data. The lack of accurate program data limits CAPI's ability to evaluate the effectiveness of the complaint program and makes it harder for CAPI to identify potentially systemic issues related to how utilities are operating.

We also found that CAPI staff used a flawed methodology to calculate performance measures related to the complaint handling program. When reporting the number of complaints handled and the number resolved within 30 days, CAPI staff included duplicate complaints and records that were not complaints. As a result, the program's performance was over-stated by at least 60 percent in fiscal years 2023 and 2024.

This report includes several recommendations for the Department of Public Service that are intended to strengthen CAPI's complaint handling process and ensure program performance measures are accurate and meaningful.

I want to thank the Department of Public Service staff who assisted my team of auditors throughout the audit process.

Sincerely,

A handwritten signature in black ink that reads "Doug Hoffer". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

DOUGLAS R. HOFFER
State Auditor

ADDRESSEES

The Honorable Jill Krowinski
Speaker of the House of Representatives

The Honorable Phil Scott
Governor

Mr. Adam Greshin
Commissioner, Department of Finance and Management

The Honorable Philip Baruth
President Pro Tempore of the Senate

Ms. Sarah Clark
Secretary, Agency of Administration

Mr. Kerrick Johnson
Commissioner, Department of Public Service

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Highlights

Public utilities provide essential services such as heat, water, and electricity to Vermonters. Consumers who have an issue with the actions or service provided by a public utility can file a complaint with the Department of Public Service's (Public Service) Consumer Affairs and Public Information Division (CAPI). CAPI staff help consumers resolve conflicts with their utility, educates consumers about the rights they have under utility regulations, and facilitates communication between consumers and their utility providers. Between January 1, 2022 and December 31, 2024, CAPI staff investigated nearly 3,000 consumer complaints.

This is one in a series of audits evaluating how Vermont entities that oversee certain industries handle complaints from the public.¹ Our objectives in these audits were to assess (1) how selected entities ensured public complaints were addressed and (2) if and how selected entities measured the performance for the complaint process.²

Objective 1 Finding

CAPI's complaint handling program generally resulted in utility actions that addressed consumers' issues within expected timeframes. In almost all the 45 complaints reviewed, utilities took action to address the consumers' issues after being contacted by CAPI staff. CAPI staff were able to resolve most of these 45 complaints within their goal of 30 days.

However, CAPI does not have comprehensive procedures that establish clear expectations for how staff should handle complaints. This led to inconsistencies in how staff handled complaints. For example, there was not an expected timeframe for when staff should contact a utility after receiving a complaint. In most of the complaints, staff did this within a day but in five of the 45 complaints we reviewed staff waited more than a week.

The lack of comprehensive procedures also led to inconsistencies and errors with complaint data. Of the 45 complaints we reviewed, 17 (38 percent) did not have an accurate resolution and/or resolution date. For example, staff can choose from among 29 different options to describe how a complaint was resolved, but there are no definitions or guidance about when to use a particular resolution. The inconsistencies and errors in the complaint data limits management's ability to evaluate the effectiveness of the complaint program. It also hinders CAPI's ability to

¹ One audit in this series was finalized on November 18, 2025, *Department of Health: Food and Lodging Complaint Inspection Process Needs Improvement to Reduce Risks for Diners and Lodgers*. Another audit, related to complaints handled by Department of Financial Regulation's Insurance Division, is on-going. A third audit with slightly different objectives is focused on the Attorney General's Consumer Assistance Program.

² Appendix I details the scope and methodology of the audit. Appendix II contains a list of abbreviations used in this report.

identify complaint trends and systemic issues with utilities, which impacts its efforts to advocate for policies that protect consumer interests and educate consumers about utility issues.

Objective 2 Finding

Public Service reported three performance measures related to the complaint process, but used a flawed methodology to calculate these measures. This caused Public Service to over-report results about the complaint program's performance. For example, one of the measures reported by Public Service was the number of complaints processed. When calculating this measure, CAPI staff used a report that totaled *all* the records in the system, including duplicate complaints and records that were not complaints. This resulted in Public Service over-reporting the number of complaints processed by 75 percent in fiscal year 2023 and 61 percent in fiscal year 2024. CAPI staff does not have a documented methodology to prepare the measures, which could have helped identify these issues.

Lastly, Public Service does not have a measure related to whether consumers are satisfied with the complaint program, which could be used to show whether consumers are better off because of the complaint program. While Public Service recently proposed adding two measures related to customer satisfaction, it has not yet developed a methodology to ensure it collects the necessary data.

Recommendations

We made various recommendations in this report, including that Public Service develop a comprehensive and consistent set of procedures for the complaint handling program and to document and implement methodologies used to calculate performance measure results.

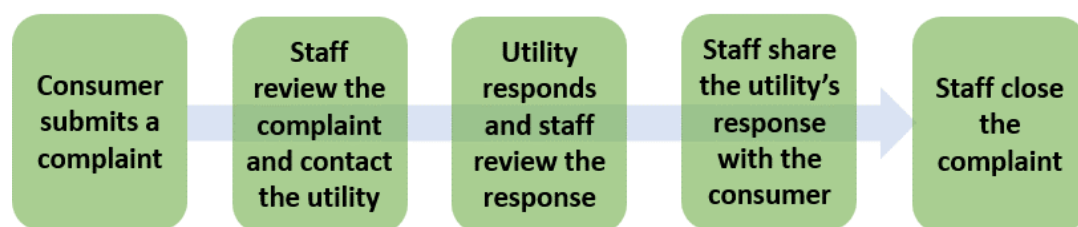
Background

State [statute](#) directs Public Service to investigate complaints from individuals who feel they have been adversely affected by regulated public utilities. While individuals can file complaints about any utility, some complaints involve issues that are not subject to State regulations. For example, the State regulates electric, gas, and water utilities but certain telecommunications services are subject to federal regulations that preempt State regulations. Complaints are handled by CAPI staff, and involve issues such as poor customer service, billing issues, or disconnections. Between January 1, 2022 and December 31, 2024, CAPI staff investigated nearly 3,000 consumer complaints.

Individuals can file complaints with Public Service in various ways (e.g., phone calls, an [online form](#)), and complaints can also be forwarded to CAPI from the Public Utility Commission (PUC), legislators, or other State entities (e.g., the Attorney General Office's Consumer Assistance Program).

As illustrated in Exhibit 1, CAPI's complaint handling process generally involves reviewing the complaint, contacting the relevant utility, and discussing the utility's response with the consumer. However, some complaints may require additional work or steps, such as consulting other staff with specific expertise (e.g., engineering).

Exhibit 1: CAPI's General Complaint Handling Process



CAPI uses a system called ePSD to record information about complaints and how they were handled. This system can also be used to store relevant documents (e.g., correspondence from utility representatives) and generate reports based on the complaint data.

As a result of [Act 130 \(2016\)](#), CAPI also handles complaints alleging that entities with a Certificate of Public Good (CPG) are not following the terms and conditions (e.g., site maintenance) of their CPG. Act 130 required that Public Service establish and implement a protocol for handling these types of complaints, as well as to publish an annual report about CPG complaints. Between 2022-2024, CPG complaints represented a very small number of complaints (less than .5 percent) investigated by CAPI staff.

Objective 1: Consumer Complaints Were Generally Addressed Within Expected Timeframes

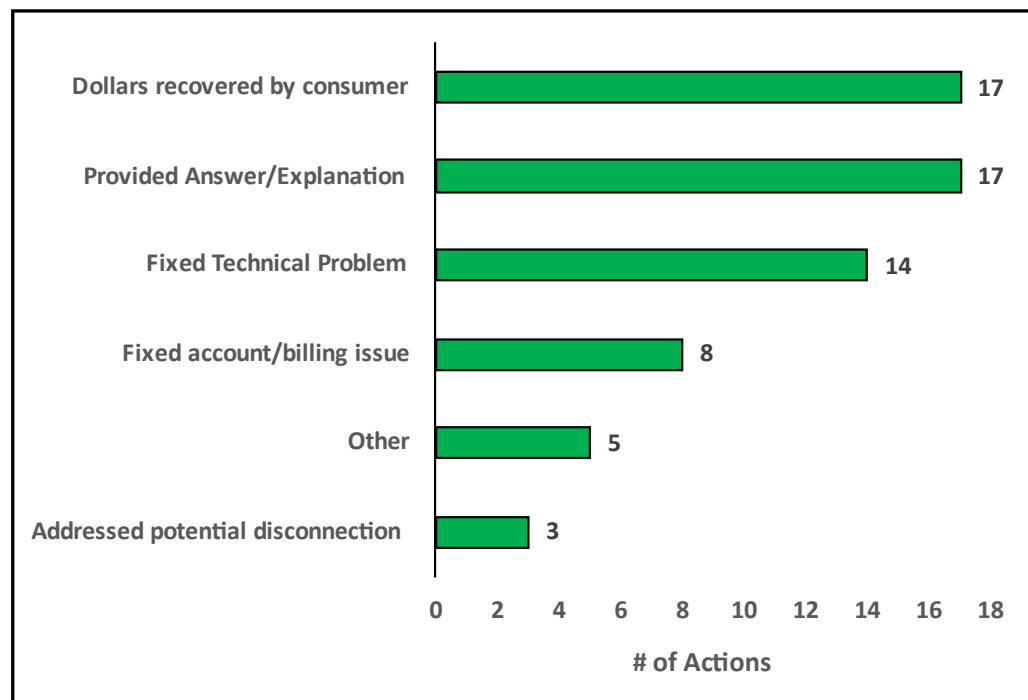
CAPI staff obtained responses from utility companies that indicated that consumers' issue had been addressed in almost all the 45 randomly selected cases we reviewed.³ In addition, about 80 percent of those complaints were resolved within 30 days, which is CAPI's goal. Even though this means that CAPI did not achieve its goal for 20 percent of the complaints we reviewed, many of these complaints involved more complicated issues that took longer to resolve. However, CAPI lacks comprehensive procedures with clear expectations for how staff should handle all aspects of the complaint process. As a result, staff did not consistently handle all complaints or record complaint data.

Complaint Resolution

Consumers can contact CAPI when they are unable to resolve disputes with a utility company. Based on a review of 45 complaints, many of the consumers indicated that they had filed a complaint after having difficulties using a utility's customer service process. CAPI staff contacted the relevant utility in all 45 complaints, and evidence showed utilities took action to address the consumers' issues in 43 of the complaints (96 percent). The two exceptions involved utilities that were not subject to State regulations and there was no evidence that they responded to CAPI's requests for information.

As shown in Exhibit 2, consumer issues were addressed in various ways. Sometimes CAPI received an answer or explanation from the utility, or was informed that the utility had taken action to resolve technical or billing issues. In many of the complaints we reviewed, consumers also received compensation from the utility. This included credit for system downtime or fee reimbursement.

³ Our results are not projectible to the universe of complaints.

Exhibit 2: Results of CAPI's General Complaint Handling Process^a

^a There are more resolutions than the number of cases that we reviewed because some complaints had more than one result.

The following are examples of the types of resolutions that CAPI was able to facilitate for consumers through the complaint process:

- In July 2023, a consumer filed a complaint because they had been having problems with their internet service. CAPI staff contacted the utility, which sent a technician to resolve the problem and credited the consumer's account for the service disruption.
- In March 2024 a consumer filed a complaint because they had received a disconnection notice from their electric utility and they wanted help arranging a payment plan. CAPI staff contacted the utility company, which delayed the disconnection and agreed to a payment plan with the consumer.
- In August 2024 an elderly consumer with medical issues filed a complaint because their phone service had stopped working and the utility company told them it would take several weeks to repair. The consumer did not have cell phone service and was relying on the assistance of a neighbor to communicate. CAPI staff contacted the utility to request an

escalated timeframe for addressing the issue and the utility restored the consumer's service two days later.

CAPI's goal is to resolve complaints within 30 days, and about 80 percent of the 45 complaints we reviewed were resolved within that timeframe. The median resolution time for these 45 complaints was 13 days, with a range between 0 and 185 days. The reason complaints took longer to resolve was sometimes due to the nature of the consumer's issue or factors outside of CAPI's control. For example, one complaint that took over 70 days to resolve involved a consumer who was concerned about the costs of adding electrical service to their off-grid home. CAPI staff spent several weeks communicating with the utility company and consumer, including attending an in-person meeting, before staff considered the issue to be resolved. Another complaint that took over 150 days to resolve required work by the utility company that was delayed by State-wide flooding in July 2023.

Complaint Procedures

State internal control standards call for written procedures that set the fundamental framework and directions to employees to do their jobs.⁴ The complaint handling procedures CAPI provided to us were a mix of emails and undated documents that did not always establish clear expectations for staff. As a result, there were inconsistencies with how staff handled complaints.

For example, none of the documents included an expected timeframe for when staff should contact a utility after receiving a complaint. While staff contacted the utility within a day after receiving the complaint in 39 of the records we reviewed, in five complaints, staff waited a week or more to initiate contact with the utility. Moreover, one of the documents stated that when closing a case staff should contact the consumer within three business days after receiving a response on the case. However, this did not occur in 9 of the 45 (20 percent) complaints we reviewed.

The lack of comprehensive procedures for handling complaints also contributed to inconsistencies and errors with the complaint data stored in ePSD. For example, staff can choose from a list of 29 potential options to describe how a complaint was resolved but there are no definitions or guidance about when to use a particular resolution type. In three of the complaints we reviewed, CAPI staff received a response from the relevant utility indicating it had taken action to address the issue. Staff subsequently attempted to contact the consumer, but there is no record that they were able to reach them. As shown in Exhibit 3, although the utility had taken action to

⁴ *Internal Control Standards: A Guide for Managers* (Vermont Department of Finance and Management, July 18, 2022).

address the consumers’ issues for each complaint, staff assigned each complaint a different resolution.

Exhibit 3: Inconsistent Resolutions for Similar Complaints

	Did utility respond to CAPI?	Was the consumer’s issue addressed?	Resolution assigned by CAPI staff
Complaint #1	Yes	Yes	Discussed with consumer
Complaint #2	Yes	Yes	Full Resolution
Complaint #3	Yes	Yes	Cannot Reach Customer

Additionally, the procedure documents CAPI provided note that consumers may contact staff after complaints are closed if the issue has not been resolved, and instruct staff to open a new complaint if it has been over a month. However, the documents do not specify whether staff should update the resolution or resolution date if the issue recurs within a month. Of the 45 complaints we reviewed, 17 (38 percent) did not have an accurate resolution and/or resolution date.

The inconsistencies and errors with the complaint data in ePSD hinder management’s ability to evaluate the effectiveness of the complaint program. It also impairs CAPI’s ability to accurately identify trends or patterns with complaints. This information may indicate systemic problems with how utilities are operating and would allow CAPI to take more proactive actions such as educating utilities and consumers or advocating for policies that would protect consumer interests.

Objective 2: Public Service Did Not Effectively Measure Performance of the Complaint Process

Public Service reported three performance measures related to the complaint process, but over-reported data for these measures because of a flawed methodology used to calculate the measures. Specifically, CAPI staff included duplicate records and records that were not complaints when reporting data about the performance of the complaint program. Additionally, Public Service does not have measures related to consumers’ perceptions about the complaint program. This could offer deeper insight into the efficiency and

effectiveness of the complaint program, and CAPI management indicated they are developing measures related to customer satisfaction.

Performance measurement is the process of evaluating how effectively an individual, team, organization, or system is achieving its objectives and goals. It offers valuable insights into areas of strength and areas needing improvement, which facilitates informed decision-making. In addition, performance measurement plays a crucial role in fostering accountability within organizations by establishing clear benchmarks and standards against which progress and achievements can be systematically tracked, evaluated, and compared.

State [statute](#) has long required agencies and departments to submit program performance measures as part of their budget submissions.⁵ The Senate and House Committees on Appropriations also instructed agencies and departments to report their internal performance goals for all programs. In addition, in 2024 and 2025, each agency, department or other governmental entity was directed to submit 3-5 performance measures for all operational programs to be included in the State's annual program-level performance measurement report. The submissions are included in a publicly available [dashboard](#).

Public Service Reported Inaccurate Performance Measure Data

In fiscal years 2023 and 2024, Public Service publicly reported three measures related to the complaint process: (1) number of complaints handled, (2) number of complaints processed within 30 days, and (3) percent of complaints processed within 30 days. However, because CAPI staff used a flawed methodology to calculate the result used in its performance measures, Public Service has reported inaccurate results about the program's performance.

The performance measure data was based on an ePSD report that showed the total records created in ePSD within a specific date range, as well as how many were resolved within 15, 30, 60, 90, and 90+ days. However, this report totaled *all* the records recorded in ePSD in the specified timeframe, including duplicate complaints and records that were not complaints. Examples of records that were not complaints included:

- an individual who contacted CAPI looking for the phone number of a local town official,

⁵ [32 V.S.A. §307\(c\)](#).

- an individual who contacted CAPI with concerns about how long it was taking to repair a local road, and
- an individual who contacted CAPI looking for information about a State grant program not managed by Public Service.

While there is a field in ePSD that distinguished these types of records from actual utility complaints, CAPI staff did not remove them from the report used to generate performance data for the complaint program. By including these records, Public Service significantly over-reported how many complaints were handled and how many were resolved within 30 days. Our analysis (see Exhibit 4) indicates that Public Service over-reported the results of these measures by between 61 and 85 percent in fiscal years 2023 and 2024.⁶ For fiscal year 2024, CAPI staff said they subtracted some records (e.g., those identified as duplicates) when calculating the number of complaints processed, but said they did not subtract those records when calculating the number of complaints resolved within 30 days. Even with this adjustment, the number of complaints Public Service reported processing in fiscal year 2024 was still significantly inaccurate.

Exhibit 4: Public Service Over-Reported Performance Measure Results in Fiscal Years 2023 and 2024^a

<u>Number of complaints processed</u>			<u>Number of Complaints Resolved Within 30 Days</u>				
	# Reported by Public Service	# Calculated by SAO	# over- reported		# Reported by Public Service	# Calculated by SAO	# over- reported
FY2023	1,451	830	621 (75%)	FY2023	1,306	705	601 (85%)
FY2024	1,465	909	556 (61%)	FY2024	1,392	858	534 (62%)

^a Our calculations may not be completely accurate because we found errors in the resolution date field in the 45 complaints that we reviewed in detail. However, we do not believe that these inaccuracies would affect our overall conclusion that the Public Service results are substantially overstated.

Because the data that is used to calculate the number of complaints that were resolved was incorrect, the *percentage* of complaints resolved within 30 days was also wrong. Public Service reported resolving 87 percent of complaints within 30 days in fiscal year 2023, and 90 percent in fiscal year 2024. Our analysis indicates these figures should have been 85 percent and 94 percent respectively.

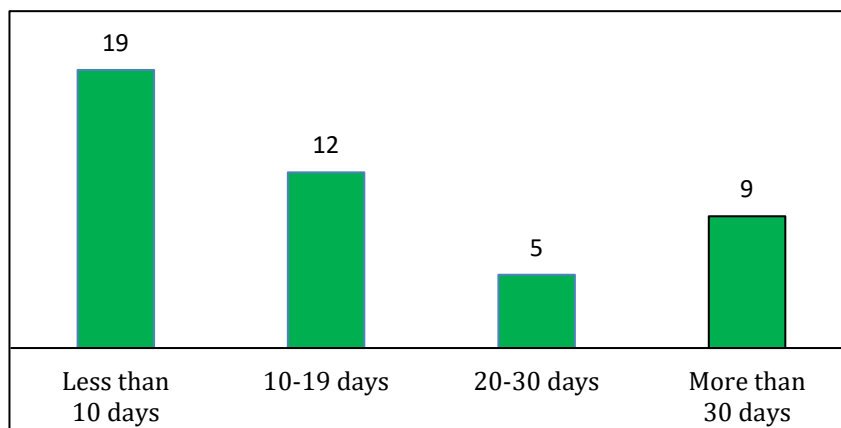
⁶ Because of errors with the resolution date field discussed in Objective 1, our calculations related to the number and percent of complaints resolved within 30 days may not be completely accurate, but we do not believe that this affects our overall conclusion.

CAPi staff did not have a documented methodology for preparing the performance measure data, which could have helped them identify these issues. In [July 2025](#), Vermont's Chief Performance Officer strongly urged entities to use a [Performance Measure Profile Template](#) that it designed to support more consistent and transparent performance reporting over time.

In addition, in his instructions for the fiscal year 2024 program performance reports, the State's Chief Performance Officer requested that entities report the target for all performance measures. A target is a numeric field that expresses what the entity is trying to achieve and what good performance looks like over a given period. Public Service did not report targets for any of its performance measures.

According to the Performance Measurement Office, targets should also be aspirational and have a gap between what is occurring and what is desired. To illustrate, Public Service has reported to the legislature and the public that it would like consumer complaints to be resolved within 30 days. However, there is no target associated with this measure, such as 90 percent of complaints should be resolved within 30 days. In addition, as shown in Exhibit 5, our review of 45 complaints shows that most are resolved well within the 30-day goal so an aspirational target could also set the standard below this level.

Exhibit 5: Most of the Selected 45 Complaints Were Resolved Well Within the 30-Day Goal



Public Service Did Not Effectively Capture nor Measure Customer Satisfaction

While we found that CAPI staff resolved most of the 45 complaints we reviewed within a few weeks, Public Service does not have a measure related to whether consumers were satisfied with the complaint program. While CAPI staff sometimes recorded customer satisfaction information, CAPI did not use a customer satisfaction survey and there was no guidance about how staff should collect this information.

Staff said they can normally tell if a consumer is satisfied or unsatisfied. This method is flawed because it may not distinguish between how consumers feel about the outcome of the complaint versus how they feel about CAPI's complaint handling process. In addition, the customer satisfaction information recorded by staff may be based on their perception of how an individual feels when complaints are closed. In one complaint, CAPI staff specifically noted that a consumer was "presumably" satisfied when they closed the complaint. Although CAPI had received information from the utility stating that the consumer's issue had been resolved, there was no evidence that CAPI staff heard from the consumer before closing the complaint.

A measure related to customer satisfaction can help entities determine how well they are doing or the extent to which complainants are better off. The State's Chief Performance Officer has instructed State entities to prioritize measures like that because they offer deeper insight into program efficiency and effectiveness. In its 2025 performance report sent to the Chief Performance Office, Public Service proposed adding two new measures related to customer satisfaction with the CAPI program. However, Public Service has not yet developed a methodology to collect the data needed for these measures.

One of the other entities that we reviewed as part of this audit series, the Department of Financial Regulation, uses a survey to collect customer satisfaction data. This survey includes questions about the complaint process, such as the knowledge and professionalism of staff, if the process was easy to understand, and if the result of the process was clearly explained. Public Service may be able to use this organization as a resource.

Other Matters

Management Review of Complaint Records is Limited

As noted in Objective 1, there were errors in how staff recorded complaint data in ePSD. CAPI management stated they perform a quarterly review of complaint records that were resolved in that period and provided a document outlining the review process. This document lists several fields to review for accuracy, but we found inaccurate data in some of these same fields in our review. CAPI staff stated that the review is not formally documented, so it is unclear if the review itself is not effective, or if the reviews were not done. Additionally, since the reviews are based on the complaint resolution date, work done by CAPI staff to address issues that have recurred may not be reviewed unless staff update the resolution date. Reviewing complaints that involve recurring issues may also help CAPI management identify utilities that are not fully resolving consumer issues.

Procedures Lack Details About How Violations Should Be Addressed

[PUC Rules](#) and statutes establish requirements for certain utilities, such as when a utility is allowed to disconnect a customer's service and timeframes for responding when Public Service requests information. CAPI staff sometimes identify and record violations of these requirements during the complaint handling process. CAPI itself does not have any enforcement powers and CAPI's procedures lack details about what staff should do when violations are identified.

One of the procedure documents notes that if a utility is consistently violating PUC rules, CAPI staff can discuss whether it would be appropriate to schedule a meeting or training with the utility. However, the document does not define "consistently" and staff stated they do not have criteria (e.g., a specific increase or a certain type of violation) that would define when they should request such a meeting.

Public Service could also notify the PUC when they identify violations, as the PUC supervises the quality of service of Vermont's public utilities and does have enforcement powers. There is nothing in the procedure documents about sending violations to the PUC though, and staff stated that they do not regularly notify the PUC about violations.

Between January 1, 2022 and December 31, 2024, CAPI staff recorded 118 violations in ePSD. The most common violation staff recorded, representing 55 percent of all violations, was that a utility had not met regulatory response times. We reviewed 15 complaints in which Public Service found the utility

had committed a violation and found that in all but one case there appeared to be a basis for their decision to record a violation.⁷

The 118 violations staff recorded means that CAPI staff found a violation in only about 4 percent of the complaints they investigated. While not a significant amount, it represents 118 times CAPI staff determined that a utility company failed to comply with PUC Rules or statute. Without procedures outlining when Public Service should take additional actions on these violations, Public Service may not be doing all it can to ensure utilities comply with the PUC's rules.

Monitoring CPG Compliance

[Act 130 \(2016\)](#) established various requirements for Public Service related to handling and reporting complaints related to CPGs. Section 5c(f) of this Act required that the Public Service Commissioner make recommendations for establishing and paying for an ongoing process to monitor companies' compliance with CPGs for the purpose of reducing complaints.

In a [2018 annual report](#), Public Service noted that it had recently begun managing the CPG complaint process and indicated that it did not have sufficient data or information about CPG compliance. The 2018 report did not include an explicit recommendation related to a process to establish and pay for an ongoing process to monitor CPG compliance but stated that "clearly there will be increased costs" and staffing since there are hundreds of CPGs issued by the Public Utilities Commission and some contain numerous conditions. The report stated that additional resources needed to monitor CPGs would need to be funded.

Public Service now has more data about CPG complaints but has not yet made the required recommendations. Since 2021, CAPI officials stated they have only received 17 CPG complaints. Considering the limited number of complaints and incentives for entities to self-report compliance issues, the officials stated that active monitoring of CPG compliance did not seem to be a productive use of resources. While such a position is not unreasonable, Public Service is still obligated to comply with the Act 130 requirement to make recommendations about establishing and paying for an ongoing CPG monitoring process. The Legislature can then decide whether it would like Public Service to take on this task.

⁷ In this one case, the violation was that the utility company had not responded within the required 14 days but this appeared to be inadvertent.

Conclusions

Based on a review of 45 complaints, CAPI staff generally handled the complaints in a way that ensured the consumers' issues were addressed in a timely manner. Specifically, in 96 percent of the complaints we reviewed CAPI staff obtained information which indicated the relevant utility had taken action to address the consumers' issues. CAPI staff were also able to resolve 80 percent of the complaints within 30 days. However, staff did not consistently handle complaints or record complaint data because CAPI does not have comprehensive procedures with clear expectations for staff.

Additionally, CAPI staff used a flawed methodology to calculate performance measure data related to the complaints handling program. This caused Public Service to over-report results for the number of complaints handled and the number of complaints processed within 30 days by at least 60 percent in fiscal years 2023 and 2024. For both measures, staff included duplicate records and records that were not complaints in the data used to calculate the measures.

Recommendations

We make the recommendations in Exhibit 6 to the Commissioner of the Department of Public Service.

Exhibit 6: Recommendations and Related Issues

Recommendation	Report Pages	Issue
1. Develop a comprehensive set of procedures that establish clear expectations for how staff should handle all aspects of the complaint process, including how information should be recorded in ePSD.	6-7	State internal control standards call for written procedures that set the fundamental framework and directions to employees to do their jobs. The procedures CAPI provided to us were a mix of emails and undated documents that did not always establish clear expectations for how staff should handle complaints.
2. Document and implement a methodology for collecting and reporting accurate results for all performance measures.	8-10	In reporting its performance measurement results, Public Service significantly over-reported how many complaints were handled and how many were resolved within 30 days. CAPI staff did not have a documented methodology they used to prepare the performance measure data. This could have helped them identify these issues.
3. Ensure all performance measures include targets.	10	The State's Chief Performance Officer requested that entities report the target for all performance measures. Public Service did not report targets for any of its performance measures.

Recommendation	Report Pages	Issue
4. Document and implement a methodology for collecting and reporting data about whether consumers are satisfied with the complaint process.	11	Public Service does not have a performance measure related to customer satisfaction with the complaint process. While staff sometimes record customer satisfaction information, the method used to collect this data is flawed.
5. In order to ensure that the management review process verifies that CAPI staff followed established procedures, document the results of the review.	12	CAPI management stated that they perform a quarterly review of complaint records that were resolved in that period. CAPI staff stated that the review is not formally documented.
6. Develop procedures for addressing identified violations, which outline the criteria used to determine when a utility meeting is warranted and when violations should be reported to the PUC.	12-13	When handling complaints, CAPI staff sometimes identify and record that a utility has violated PUC rules or statute. CAPI's procedures lack details about what staff should do when violations are identified.
7. Communicate recommendations about a process to establish and pay for ongoing monitoring of compliance with CPGs to the Legislature, as required by Act 130 (2016).	13	Act 130 (2016) required Public Service to make recommendations for the establishment of a process to monitor companies' compliance with CPG requirements. In a 2018 report, Public Service indicated it did not have sufficient data about CPG complaints but stated that additional resources would be required to monitor CPGs. However, Public Service did not include an explicit recommendation about a process to monitor CPG compliance in that report.

Management's Comments

In mid-December 2025, the Commissioner of the Department of Public Service provided comments on a draft of this report. These comments are reprinted in Appendix III.

Appendix I

Scope and Methodology

Audit Scope

The audit scope included consumer complaints filed with Public Service between January 1, 2022 and December 31, 2024.

Audit Methodology

To address both objectives, we interviewed CAPI staff and reviewed the population of complaints to determine if it was reliable for the purpose of our audit objectives.

Our work to assess the completeness of the complaint population involved comparing the number of complaints obtained from ePSD with figures previously reported by Public Service. We also reviewed 30 randomly selected consumer contacts that CAPI staff had determined were not complaints to confirm that they had been appropriately classified.

To assess the accuracy of the complaint data we performed various tests on the population of complaints, including identifying blank fields, determining whether dates were reasonable (e.g., resolution dates are after the filing date) and evaluating inconsistencies between fields (e.g., violations are listed for entities that are not regulated). We also reviewed whether certain fields were accurately recorded in ePSD for a random selection of 45 complaints.

To the extent that we found errors in ePSD records, we took that into account in making our audit decisions and in how we reported our results.

We also determined which internal controls were significant to our audit objectives and analyzed Public Service's implementation of these controls. We included control weaknesses in our findings and made recommendations accordingly.

Objective 1

For the first objective, we gained an understanding of CAPI's complaint handling process through interviews with staff, a review of ePSD, and reviewing procedure documents provide by CAPI.

CAPI provided us read-only access to ePSD, and we extracted data for all records within the audit scope. This included 4,616 total records, which included 3,696 records that CAPI staff had classified as complaints. Of those, CAPI staff had investigated 2,977.

Appendix I

Scope and Methodology

Based on the “Resolution” type field, we randomly selected 30 records that indicated staff had referred the consumer to another entity and confirmed that it was appropriate for staff to have referred the consumer and that there was evidence staff had made a referral.

From the records that CAPI staff had investigated, we randomly selected 30 complaints that did not include a violation and 15 that did.⁸ For all 45 complaints, we reviewed the complaint record in ePSD and all relevant documents to assess whether certain fields were accurate, whether staff had followed key procedure steps, how long it took staff to complete various steps, and whether reasonable action had been taken to address the issues raised in the complaint. For the 15 complaints that listed a violation, we also assessed whether there was evidence to support staff’s determination. We requested explanations from CAPI staff for any issues identified throughout this work.

We also reviewed Act 130 (2016) and determined whether Public Service had complied with the requirements of that legislation. This included reviewing annual CPG reports published by Public Service and reviewing complaints filed during the scope period that were identified in ePSD as relating to CPGs.

Objective 2

For the second objective, we reviewed the Vermont Title 32 section that requires agencies and departments to submit program performance measures as part of their budget submissions. We also reviewed the 2024 and 2025 Chief Performance Officer’s performance measurement instructions.

We requested, received, and reviewed Public Service’s 2025 performance measurement submissions to the Chief Performance Officer. We also reviewed past performance measurement submissions and budget submissions to the Senate and House Committees on Appropriations.

We interviewed CAPI staff to gain an understanding of the methodology they used to calculate performance data. We evaluated each measure against guidance from the Chief Performance Officer, evaluated the methodology used to calculate each measure, and determined if Public Service had accurately reported performance measure data.

⁸ Our methodology was not designed for our results to be projectible to the universe of complaints.

Appendix I

Scope and Methodology

Compliance with Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based in our audit objectives.

Appendix II

Abbreviations

CAPI	Department of Public Service's Consumer Affairs and Public Information Division
CPG	Certificate of Public Good
PUC	Public Utility Commission

Appendix III

Comments from the Department of Public Service

The following is a reprint of management's response to a draft of this report.

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December 15, 2025

Mr. Douglas R. Hoffer
Vermont State Auditor
Office of the State Auditor
132 State St.
Montpelier, VT 05633-5101

Dear Auditor Hoffer:

This letter serves as the Department of Public Service's response to the report generated by your office entitled, "Department of Public Service: Consumer Complaints Were Generally Addressed Within Expected Timeframes, but Performance Measurement Had Flaws." I want to first acknowledge and thank you for your team's hard work and collaborative approach with the Department in undertaking this exercise.

The Department agrees with nearly all the report's findings. That said, attached please find specific comments about the Department's agreement or disagreement with the SAO findings, conclusions, and recommendations and what actions are planned to address these recommendations.

Of particular importance to us is the report's recognition that consumer complaints were addressed by the utility in 96 percent of the complaints your office reviewed and that the Department's Consumer Affairs and Public Information (CAPI) staff effectively resolved 80 percent of the complaints within 30 days. This goes to the heart of this team's purpose and indeed the Department's responsibility to serve as Vermonters' advocate. The CAPI team does great work, for which I am grateful.

That said, the report offered constructive recommendations on how the team can improve outcomes. The Department supports the report's conclusion that complaint handling would be strengthened by comprehensive written procedures providing clear expectations for staff. Written procedures, as the report points out, will also help to ensure accurate performance measurement calculations. We will endeavor to advance those recommendations.

Thank you for your work that honors our shared commitment to better ensure that Vermonters are well served.

Sincerely,
Signed By:
A handwritten signature in blue ink that reads "Kerrick Johnson".
KERRICK JOHNSON
Commissioner



Appendix III

Comments from the Department of Public Service

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TO: Douglas R Hoffer, Vermont State Auditor
CC: Kerrick Johnson, Commissioner, Department of Public Service
FROM: Carol Flint, Director, Consumer Affairs & Public Information
DATE: December 18, 2025
SUBJECT: Auditor report, "Department of Public Service: Consumer Complaints Were Generally Addressed Within Expected Timeframes, but Performance Measurement Had Flaws."
Signed by: *Carol Flint*
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State Auditor's Office Recommendations and Consumer Affairs & Public Information Responses

Audit Objective 1: To assess how selected entities ensured public complaints were addressed.

Audit Finding: CAPI does not have comprehensive procedures that establish clear expectations for how staff should handle complaints.

Audit Recommendation regarding Complaint Resolution and Complaint Procedures:

1. Develop a comprehensive set of written procedures that establish clear expectations for how staff should handle all aspects of the complaint process, including how information should be recorded in ePSD.

Management Response: Agree.

Proposed Implementation Plan and Timeline: the CAPI Director will write procedures for staff to follow for case handling including how information should be recorded in ePSD. These procedures will be written by the end of fiscal year 2027 to coincide with implementation of a new electronic case management system.

Audit Objective 2: To assess if and how selected entities measured the performance of the complaint process.

Audit Finding: Public Service over-reported results about the complaint program's performance. CAPI staff does not have a documented methodology to prepare and calculate measures. Public Service does not have a measure related to whether consumers are satisfied with the complaint program, which could be used to show whether consumers are better off because of the complaint program. While Public Service recently proposed adding two measures related to customer satisfaction, it has not yet developed a methodology to ensure it collects the necessary data.

Audit Recommendation regarding Accuracy of Reported Data:



Appendix III

Comments from the Department of Public Service

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2. Document and implement a methodology for collecting and reporting accurate results for all performance measures.
3. Ensure all performance measures include targets.

Management Response: The Department agrees that there is not a comprehensive written procedure for preparing and calculating measures. The CAPI Division uses a report called the performance efficiency report to run the data for reporting performance. Some of the parameters for the report are hard coded in its database. Internal testing appears to indicate that other contact types like objections, outreach or questions are inadvertently included in the outputs of this report. These contact types are typically uninvestigated matters. Outreach to the contractor is needed to verify how the report is coded. Updates to the report querying tool will be needed to allow for the selection of only grievance and escalation contact types, i.e. investigated complaints, to address the State Auditor's recommendation.

Proposed Implementation Plan and Timeline: the CAPI Director will write procedures and calculation methodology for preparing and calculating performance measures. The Director will ensure that all performance measures include targets except for any measure listed as a 'Context' measure which are meant to be informative but not performance focused.¹ These procedures will be written by the end of fiscal year 2026. Addressing the matter of correcting the report querying tool is more complicated and can certainly be corrected with the new ePSD database by the end of fiscal year 2027. The Department will also see if the correction can be made sooner with the current contractor, if time and funds allow.

Audit Recommendation regarding Customer Satisfaction:

4. Document and implement a methodology for collecting and reporting data about whether consumers are satisfied with the complaint process.

Management Response: Agree.

Proposed Implementation Plan and Timeline: the CAPI Director will document and implement a methodology for collecting and reporting data about whether consumers are satisfied with the complaint process. A customer satisfaction survey will be implemented by the end of fiscal year 2026.

Other Matters:

Audit Finding: CAPI staff do not formally record the results of the quarterly review of complaint records that were resolved in that period.

Audit Recommendations regarding Management Review of Complaint Records:

5. To ensure that the management review process verifies that CAPI staff

¹ 2025 Vermont Performance Report Template Instructions, Agency of Administration, Chief Performance Office, [continuous-improvement-toolkit](#), pp 3 – 4.



Appendix III

Comments from the Department of Public Service

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followed established procedures, document the results of the review.

Management Response: Agree.

Proposed Implementation Plan and Timeline: CAPI Specialists IV will document the results of case reviews. The CAPI Director will document the results of case resolution reviews. This documentation will begin with reviews of data recorded in the first calendar quarter of 2026.

Audit Finding: When handling complaints, CAPI staff sometimes identify and record that a utility has violated PUC rules or statute. While CAPI itself does not have any enforcement powers. CAPI's procedures lack details about what staff should do when violations are identified.

Audit Recommendations regarding Complaints Coded as Violations:

6. Develop procedures for addressing identified violations, which outline the criteria used to determine when a utility meeting is warranted and when violations should be reported to the PUC.

Management Response: The Department agrees that procedures lack details about what staff should do when violations are identified.

Proposed Implementation Plan and Timeline: the CAPI Director will write procedures for staff to follow once having identified violations of PUC rules. This procedure will be added to the comprehensive written procedures for case handling. This procedure will be written by the end of fiscal year 2027 to coincide with implementation of a new electronic case management system.

Audit Finding: Act 130 (2016) required Public Service to make recommendations for the establishment of a process to monitor companies' compliance with CPG requirements. In a 2018 report, Public Service indicated it did not have sufficient data about CPG complaints but stated that additional resources would be required to monitor CPGs. However, Public Service did not include an explicit recommendation about a process to monitor CPG compliance in that report.

Audit Recommendations for CPG Compliance:

7. Communicate recommendations about a process to establish and pay for ongoing monitoring of compliance with CPGs to the Legislature, as required by Act 130 (2016).

Management Response: Partially agree with the recommendation regarding the Department's 2018 report.

Proposed Implementation Plan and Timeline: The Department will add language to its 2025 report to the Legislature addressing this recommendation.

