

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

CARNISHA RODGERS,

To Repeal Residential Services Deposit  
Rule.

DOCKET UE-190273

ORDER 01

DENYING PETITION

**BACKGROUND**

- 1 On April 10, 2019, Carnisha Rodgers filed a Petition to Repeal Residential Services Deposit Rules (Petition). The Petition requests that the Washington Utilities and Transportation Commission (Commission) repeal its rule allowing an electric utility to collect a deposit from its residential customers under certain conditions.
- 2 Specifically, Ms. Rodgers argues that Puget Sound Energy (PSE or Company) is violating Washington Administrative Code (WAC) 480-100-113(10), which requires utilities either to apply deposits plus accrued interest to the customer's account or to refund deposits plus accrued interest after 12 months of satisfactory payments or when service is terminated.<sup>1</sup> Ms. Rodgers asserts that PSE is not allowing customers to receive their deposit refund in any form other than a credit to the customer's account. Thus, Ms. Rodgers proposes repealing WAC 480-100-113(1)(a), which allows an electric utility to collect a deposit from its customers for residential service if the utility sent the customer three or more delinquency notices at any time during the prior twelve months.<sup>2</sup> Ms. Rodgers also petitions for repeal of WAC 480-100-113(3), which provides the calculation of deposit amounts.

---

<sup>1</sup> Under WAC 480-110-113(10), "satisfactory payment" means that the utility has sent no more than two delinquency notices to the customer in the previous 12 months, and the utility has not started a disconnection process against the customer.

<sup>2</sup> The Petition lists WAC 480-100, WAC 480-100-113(1)(a), and WAC 480-100-113(3) among the rules that the petitioner requests the agency to eliminate. The narrative in the Petition, however, discusses only the residential services deposit requirements contained in WAC 480-100-113. WAC 480-100 is not a specific rule, but rather refers to the chapter of the WAC that contains regulations governing electric companies, including the residential deposit rule at issue in the Petition. Accordingly, we interpret the Petition as requesting the repeal of only the cited

## DISCUSSION

3 Within 60 days after receiving a petition for repeal of a Commission rule, the Commission must either:

(a) Initiate rule-making proceedings in accordance with chapter 34.05 RCW, or (b) Deny the petition in writing, stating [the Commission's] reasons for the denial and specifically addressing the concerns stated in the petition. Where appropriate, the [Commission] must indicate alternative means by which the agency will address the concerns raised in the petition.<sup>3</sup>

We deny Ms. Rodgers' Petition for the reasons we explain below.

4 For more than 18 years, Commission rules have allowed electric utilities to require customers to pay deposits after receiving three delinquency notices in a 12-month period.<sup>4</sup> The rules are intended to address nonpayment of utility bills, which results in a write-off that ultimately may be subsidized by other customers.<sup>5</sup> To balance fairness between customers who are required to make a deposit and customers who may be required to subsidize nonpayment, the rule allows utilities to require deposits from current residential customers in only three circumstances, one of which is when the utility has sent a customer three or more delinquency notices in the previous 12 months. Ms. Rodgers challenges this provision on the basis that it targets "low income consumers and people with financial hardships."

5 Although we recognize that deposit requirements may disproportionately affect low-income consumers, that impact is mitigated by the robust consumer protections Commission rules otherwise afford. For example, consumers have the option to make an initial payment equal to 50 percent of the deposit and pay the remaining balance in equal amounts over the next two months, or as otherwise agreed to by the consumer and the utility.<sup>6</sup> In addition, Commission rules require that utilities provide alternatives for customers who indicate an inability to pay a deposit, such as prepayment for services,

---

subsections of WAC 480-100-113, rather than of all of the rules contained in Chapter 480-100 WAC.

<sup>3</sup> WAC 82-05-040(2).

<sup>4</sup> See *In re Adopting and Repealing Chapter 480-100 WAC, Relating to Rule establishing requirements for electric companies*, Docket UE-990473, General Order No. R-482, Repealing and Adopting Rules Permanently, at ¶ 16 (May 3, 2001) (hereinafter "2001 Order") ("The proposed language in (1)(a) reflects current rule language for existing customers").

<sup>5</sup> Cf. 2001 Order at ¶¶ 16-20.

<sup>6</sup> WAC 480-100-113(4).

furnishing a guarantor, or participating in the winter low-income payment program.<sup>7</sup> On balance, WAC 480-100-113(1)(a) is limited in scope and fairly addresses the risk of nonpayment, while other provisions of the rule provide safeguards for low-income consumers. Accordingly, we decline to repeal the rule.

- 6 Similarly, we decline to repeal WAC 480-100-113(3), which provides the calculation of residential customer deposits; *i.e.*, two-twelfths of the estimated annual billings for utilities billing monthly, or three-twelfths of estimated annual billings for utilities billing bimonthly. A two-month deposit requirement most closely approaches nonpayment risk by approximating the accumulation of charges during a utility disconnection process.
- 7 Although we deny Ms. Rodgers' Petition regarding residential deposit rules, we are concerned by her statement that PSE does not allow its customers to receive their deposit refund in any form other than a credit to the customer's account with the Company. We understand that Ms. Rodgers' informal complaint on this matter has been satisfactorily resolved. Commission staff will monitor other complaints received for similar allegations.

### ORDER

- 8 THE COMMISSION ORDERS That the Petition of Carnisha Rodgers to Repeal Residential Services Deposit Rules is DENIED.

Dated at Olympia, Washington, and effective April 16, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner

---

<sup>7</sup> WAC 480-100-113(5).