



**PUGET SOUND ENERGY**

*The Energy To Do Great Things*

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January 7, 2011

Mr. David W. Danner  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive S.W.  
P.O. Box 47250  
Olympia, WA 98504-7250

**Subject: Docket No. U-100523**  
***Rulemaking to Consider Paperless Billing for Electric and Gas Customers***  
**Comments of Puget Sound Energy, Inc.**

Dear Mr. Danner:

Puget Sound Energy, Inc. ("PSE" or the "Company") submits these comments in response to the January 5, 2011, e-mail from the Commission's Staff with revised rules relating to undeliverable electronic information as reflected in the proposed new rule, WAC 480-90-179 (7) and WAC 480-100-179(7).

Electronic mailing, unlike U.S. Mail delivery is instantaneous. Since the customer receives the electronic communication well ahead of U.S. Mail delivery the requirements for handling of returned electronic communications should reflect this reality. On occasion, however, electronic notification is delayed or suspended due to equipment failures or servers going off-line. In those cases re-sending an electronic notification immediately or within hours may only result in another return. Due to these reasons PSE suggests that this time line be lengthened to two business days as reflected in the comments below.

## **Puget Sound Energy Comments on Specific Rule Provisions**

### **WAC 480-90-179(7)(a) and 480-100-179(7)(a)**

**Discussion:** Section (7) relates to undeliverable electronic information. At times servers may be down and e-mail or electronic notification may be delayed for several hours or occasionally even for a day or more. Subsection (a) provides in part that “If no such attempt succeeds, the company must send the customer the information by mail and automatically return the customer to mail notification.” This sentence needs to be clarified for several reasons. The reference to “the information” in this sentence refers to the information regarding the utility’s inability to contact the customer by email or telephone but is somewhat unclear. The reference to “automatically” changing the customer to mail notification does not specify when this is to occur. Finally, the reference to “company” should be replaced with “utility” to clarify the meaning.

***Suggested revision to draft rule:***

WAC 480-90-179(7)(a) and WAC 480-100-179(7)(a) The utility must either resend the electronic information to the customer-provided electronic address or contact the customer by telephone. If no such attempt succeeds, the ~~company~~ utility must send the customer the ~~information~~ notification that electronic contact has failed by mail and automatically return the customer to mail notification starting with the next following billing or other notification unless the customer requests otherwise as provided below; and

### **WAC 480-90-179(7)(b) and 480-100-179(7)(b)**

**Discussion:** This section defines what must be included in the information or notification of returned electronic communication that is required in section (a). PSE believes that it would be helpful if the notification to the customer included an electronic location of the information should the customer desire to obtain that information electronically and also explain that the customer has the option to continue with electronic notification.

***Suggested revision to draft rule:***

WAC 480-90-179(7)(b) and WAC 480-100-179(7)(b) The utility must include an explanation with the mailed information that the e-mail address or other electronic address is not functioning and an explanation of how the customer can access the electronic communication electronically. The utility must explain that future information will be sent via mail until a functioning e-mail or other functioning electronic address has been provided to the utility unless the customer has requested that the utility continue with electronic notification as provided below.

**WAC 480-90-179(7)(c) and 480-100-179(7)(c)**

**Discussion:** This section defines the time lines for sections (a) and (b) and also provides for an alternate methodology and requirements for the handling of returned electronic information. As mentioned earlier, due to occasional failures of electronic delivery mechanisms, PSE is suggesting lengthening the time line for sections (a) and (b) to two business days. The wording that requires “waiver” of late payment fees and deposits is ripe for misinterpretation. Finally, the requirement that the utility take all steps necessary to ensure the customer is not disadvantaged or harmed due to the returned electronic mailing includes a provision that utilities have no way of interpreting or applying. That provision is “including but limited to”. Should the Commission desire to add new requirements to this provision they should clearly communicate them.

While PSE has suggested changes to this section as shown below to clarify and hopefully make the processes implementable by utilities, we must also question if treating a customer who receives information by electronic means differently than a customer that receives the same information by U.S. Mail is in compliance with RCW 80.28.100, especially when the customer that receives the information electronically will likely receive the information sooner than the customer who receives the same information by U.S. Mail. It is in a utility’s interest to see that a customer receives electronic information, especially billings; otherwise the utility does not receive payment. Because of this interest, PSE follows up on returned U.S. Mail. Utilities also have an incentive to avoid complaints from customers due to the cost of handling the complaints and telephone calls, therefore, when a bill is delayed for more than a few days the bill mail date is updated. PSE respectfully suggests that the provisions of section (7)(c)(i) should be changed as suggested below and that (7)(c)(ii) should be deleted in its entirety.

In addition, customers should be held responsible for maintaining their electronic address and for providing the utility notice of changes of the address. They should not be granted special benefits if they fail to update their e-mail address or purposely cause their electronic address to return notifications or e-mails.

***Suggested revision to draft rule:***

WAC 480-90-179(7)(c) and WAC 480-100-179(7)(c) The utility must take the steps required in subsections (a) and (b) above by either: (i) Within two ~~The business days~~ following receipt of the undeliverable message; or (ii) a maximum of five business days following receipt of the undeliverable message. If the utility elects to exceed the requirement of two ~~one~~ business day response, the utility must take all reasonable steps necessary to ensure that the customer is not disadvantaged or harmed, including ~~but not limited to~~ extension of the bill due date by the number of days the electronic notification of the bill was delayed, waiver delay imposition of late payment fees by the number of days the electronic notification of the bill was delayed, and waiver of if the bill is paid by the revised due date, do not consider the payment late for determining the need for a ~~any~~ deposits.

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**WAC 480-90-179(7)(d) and 480-100-179(7)(d)**

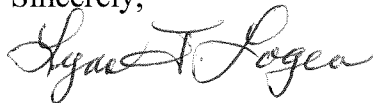
**Discussion:** This section makes several references to “paperless billing” which should be the more general “electronic information” used elsewhere in the rule. In addition, the rule should provide customers the option to continue receiving electronic information. The requirement to both mail and send electronic information can be burdensome and customers may not wish to receive both, therefore, the customer should be given the option.

***Suggested revision to draft rule:***

WAC 480-90-179(7)(d) and WAC 480-100-179(7)(d) If a utility wants to ~~keep a customer on paperless billing~~ to continue sending electronic information to a customer, or a customer desires to continue receiving electronic information despite receiving undelivered electronic message notifications, ~~it~~ the utility and the customer must meet the following conditions: (i) The utility and the customer if the customer wishes to continue receiving electronic information, otherwise the utility must exhaust all reasonable attempts to correct the issues causing the electronic notification to be returned malfunctioning electronic address; and (ii) The utility must obtain the customer’s written or electronic consent to continue to receive electronic information paperless billing (i.e., bills, bill inserts, and notices of tariff revisions) even though the customer’s electronic address is not functioning reliably. Retention of the customer’s consent must be maintained in accordance with the requirements established in this rule. The utility must notify the customer that the utility will continue to mail monthly information informing the customer of the electronic address to access his or her electronic information unless they notify the utility otherwise bills, bill inserts, and notices of tariff revisions. In addition, the notice must inform the customer that the utility may choose to return the customer to mail notification.

PSE appreciates the opportunity to comment on the draft rules to clarify the use of electronic information. Please direct any questions regarding these comments to Lynn Logen at (425) 462-3872 or at [lynn.logen@pse.com](mailto:lynn.logen@pse.com) or the undersigned at (425) 462-3495.

Sincerely,



*Lynn F. Logen, Tariff Consultant*  
for Tom DeBoer  
Director – Federal and State Regulatory Affairs