

ONITA R. KING
Rates & Regulation
Tel: 503.721.2452
Fax: 503.721.2516
Email: ork@nwnatural.com



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VIA ELECTRONIC FILING

Steven V. King, Executive Director and Secretary
WASHINGTON UTILITIES &
TRANSPORTATION COMMISSION
1300 S Evergreen Park Drive, SW
Post Office Box 47250
Olympia, Washington 98504-7250

RE: **Docket No. U 144155: NW Natural Comments**
Rulemaking to Consider Amending Billing Requirements for Electric and Natural Gas
Companies

Northwest Natural Gas Company, dba NW Natural (“NW Natural” or the “Company”), submits the following comments in response to the Washington Utilities & Transportation Commission’s (“Commission”) November 20, 2015 Notice of Opportunity to File Written Comments and Notice of Proposed Rule Adoption Hearing (the “Notice”) issued in Docket U-144155. The Notice states that a formal rule adoption hearing is scheduled for Thursday January 21, 2016 at 1:30 p.m. to consider proposed changes to Washington Administrative Code (WAC) 480-90-178 and WAC 480-100-178, and provides notice of an opportunity to file written comments on the proposed rules.

NW Natural submitted comments and responded to questions asked by Commission Staff in this docket on March 23, 2015, and provided comments on proposed draft rules on July 21, 2015 and October 5, 2015, respectively. In some instances, Commission Staff was responsive to NW Natural and the other energy utility comments, and the Company appreciates Staff’s consideration in these instances. The proposed rules issued with the November 20, 2015 notice, however, continue to raise some concerns. NW Natural addresses these concerns in our comments below.

In addition, upon reading the latest proposed rules, the Company finds that some of the wording and structure is overly broad or ambiguous. The Company takes the opportunity with these comments to suggest editorial changes that we believe remove the potentially ambiguous and confusing language. Both redline and clean versions of the Company’s proposed edits are included as attachments at the end of these comments.

1. **Section 5 (a).** NW Natural suggests rewording this section for readability, as well as to address some lingering concerns, many of which were previously identified by NW Natural in earlier comments, as follows:

- a. **Billing errors.** At the suggestion of the utilities, the scope of this rulemaking was broadened after the initial CR-101 was issued to include any situation where a bill correction is required, but the proposed rule provisions continue to include the meter specific issues and unassigned energy usage initially proposed by Commission Staff. This broader perspective is currently represented in the proposed new provisions as “other billing errors.”

However, as it is used in section 5(a), the phrase “other billing error” infers that the listed scenarios (meter failure, meter malfunction, meter with unassigned energy usage) for which a corrected bill is required are also billing errors. This is simply not the case. A bill correction necessitated by a mechanical issue with a meter or due to a third party action or inaction (unassigned usage) is not synonymous with a “billing error.” NW Natural encourages the Commission to eliminate the use of the term “billing errors” in the new rule provisions and to instead consider more succinct language such as:

“... or any ~~other billing error~~ situation where energy usage was not billed or was inaccurately billed.”

- b. **Corrected bills.** The proposed rule states that “The utility must use the rate schedule in effect at the time of each affected billing period(s) covered by the corrected bill.” NW Natural finds that this sentence is overly broad and suggests the following clarification:

“The utility must use the rates and rate schedule in effect during ~~at the time of each affected~~ the billing period(s) covered by the corrected bill.”

- c. **Discovery.** NW Natural had previously expressed concern about the Commission Staff’s use of the word “discovers” in this section as it is used to identify the timing of the issuance of a bill correction. Other utilities expressed similar concerns. There is far too much ambiguity with the word discover as used in this context. Specifically, as written it is unclear if the date of discovery is the point at which a problem is suspected (e.g. the meter technician observes something in the field and removes the meter) or if it is at the time that the utility knows for certain that a problem occurred (the meter has been tested and other investigation performed as needed). NW Natural would argue it is the latter, as it takes time to fully determine whether or not a meter issue exists and that a corrected bill is warranted. To start the clock at any other point would be inappropriate. NW Natural suggests the following edits to that sentence to remove the ambiguity.

"The utility must issue the corrected bill within sixty days from the date the utility ~~discovered~~ the underbilling or overbilling confirmed that an account had been under- or over-billed.

- d. Corrected bill amounts. Commission Staff has been clear that they expect any underbilling or overbilling to be corrected, but there has been little or no discussion about the time and cost involved in issuing a corrected bill. At some level, it would seem illogical that a utility would be required to expend tens of dollars (and possibly more) to issue a corrected bill for very small amounts.

NW Natural suggests that the new rule provisions provide a threshold at which the utility could decide not to issue a corrected bill. We have suggested here that the threshold could be \$1.00, although one could argue that if the cost to issue a corrected bill is more than the corrected bill amount it would not be cost-effective to make the correction. From the perspective of the consumer who was overbilled, we understand that they would want the bill corrected regardless of the cost to the utility, although it is likely that a consumer would be indifferent if the corrected amount is less than \$1.00. In an effort to strike some balance around this concern, NW Natural suggests the following new language be added to this section:

"The utility may choose to not issue a corrected bill for amounts less than \$1.00."

- e. Underbilled amounts. NW Natural does not agree with Staff's proposed six-month limitation on collecting for underbilled amounts for all customer classes, but we can agree to disagree. It is important to note, however, that should this proposal be adopted, the outcome will be that all ratepayers will absorb some amount of additional cost through unaccounted for gas when the utility is unable to bill and collect more of the unbilled energy from the affected account holder. In NW Natural's case, this could result in a more material impact on ratepayers than has existed in the past because NW Natural's current practice is to adjust underbilled amounts for up to twelve months.
- f. Customer references. NW Natural finds that the last sentence in this Section 5(a) contains verbiage in several places that is of concern:
- i. The first concern is how the word "discovers" correlates with the start of the six-month billing period limitation for underbilling. This is a similar concern as expressed under item c. above.
 - ii. The second concern is the statement "... that it has underbilled a customer ..."
At Staff's insistence, the new rule provisions apply to bills issued for unassigned energy usage, despite objections from the utilities. But, when such a bill is issued it is not because the utility underbilled a customer - the user of such gas was not a customer at

the time that the gas was consumed. Similarly, should a bill correction to a closing bill be required, the corrected closing bill is also not associated with a customer. In these situations, the customer reference could result in confusion and misapplication of the rule and should be removed. NW Natural suggests the following language:
“... when the utility’s investigation finds ~~discovers~~ that it has underbilled ~~a customer~~ energy usage, ...”

- iii. The last concern with the last sentence in section 5(a) is the statement “... from the date the error occurred.” This statement is in reference to the six-month restriction on how far back a utility may collect for an underbilling. The use of the word “error” is inappropriate because, as noted earlier in these comments, the bill corrections at issue in this rulemaking are not appropriately characterized as a billing error.

Further, the use of “the date the error occurred” to trigger the six-month time period is problematic in situations where the utility finds that the cause of the bill correction occurred several years prior to finding it. In that context, the way the statement is written it is unclear if the utility should collect underbilled amounts related to the most recent six months, or whether the utility must go back to the date the utility determined the error first occurred and then issue six months of corrected bills from that date.

To address the ambiguity and improve readability, NW Natural suggests that the last sentence be restated as follows:

“Except as provided in subsection (7) of this section, when a utility’s investigation finds that it has underbilled energy usage, it may not collect underbilled amounts that are older than six months from the date that such energy usage was last underbilled.”

- g. Overbilled amounts. In previous comments, NW Natural suggested that a limit should also be placed on the time period for which an overbilled amount can be refunded. Staff disagreed (see page 8 of the Comment Summary dated October 2015) stating “*The Commission’s records retention policy is six years.*” and “*Staff believes that the companies should be required to refund over-billings for the entire period of time for which they are required to keep records,*” relying upon the Commission’s adoption of the Regulations to Govern the Preservation of Records of Electric, Gas, and Water Utilities published by the National Association of Regulatory Utility Commissioners (NARUC) in Docket A-131761.

NW Natural does not dispute the Commission’s adoption of the NARUC publication for the retention of customer billing records (NARUC uses the term Customers’ ledgers), and does not even dispute the statement that the retention is six-years, although that is arguable. The NARUC guidelines state that the minimum retention period for customers’ ledgers is:

“6 years or until no longer needed to adjust customers’ bills or from the date of one meter test to the next, whichever is longer.”¹

Staff’s position that there is a correlation between the record retention policy of 6 years and the time period under which a utility is required to adjust customers’ bills where a refund is due is unsupported. The NARUC retention guideline in no way distinguishes between underbilled or overbilled bill adjustments, and Staff’s arbitrary reliance on the record retention timeframe for the issuance of corrected bills associated with an overbilling is inconsistent with the position Staff has taken on underbilled amounts.

NW Natural does not suggest that the limitation on overbilled refunds should be the same as the six-month underbilled limitation. The Company recognizes that there is a different dynamic that is associated with a bill correction that is a collection and one that is a refund. However, as identified earlier in these comments, the processing of bill corrections can be time consuming and costly. Further, the longer the period covered by a bill correction, the higher the likelihood that the bill correction process would result in significant additional time and administration. An extended period bill correction may also inadvertently lead the consumer to assume there was wrong doing on the part of the utility, which for these bill correction situations is not the case.

NW Natural suggests that the new rule provision include a statement that the utility is not required – but is also not limited – to refund amounts associated with an overbilling of energy usage for more than twenty-four months from the date that energy usage was last overbilled. This retains a balance between the cost to the utility and the benefit to the consumer, particularly where there are small dollar amounts involved. The proposed language is as follows:

“When the utility’s investigation finds that it has overbilled energy usage, it must refund or credit amounts for the period in which the overbilling occurred, but the utility is not required to refund amounts related to an overbilling that occurred more than twenty-four months from the date that energy usage was last overbilled.”

2. **Section 5 (b).** NW Natural suggests a number of editorial changes to this section for clarification and readability as follows:

The statement at (b) should be revised as follows:

“For the purposes of this rule subsection.”

¹ Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities Revised October 2007, at page 25.

Subpart (ii). NW Natural suggests removing the words “For the purpose of this rule ...” If the language is revised as suggested above, this statement is unnecessary.

Subpart (iii). NW Natural suggests deleting this subpart altogether to remove the use of the term “billing error” from the rule, as discussed earlier in these comments.

- Section 5 (c).** NW Natural is unclear what the Commission Staff is asking of the utility. The proposed rule provision states that a utility must develop and maintain procedures relating to meters and unassigned usage, and then goes on to say that the utility will file a “plan delineating the procedures.” It is not clear what is meant by a “plan.” As represented from the utility responses to Staff’s September 4, 2015 request, all of the utilities currently have and maintain specific processes and procedures that address the type of bill corrections under discussion, and we would continue to do so. NW Natural does not have any so-called “plan” that more broadly describes this administrative function.

One interpretation of the proposed language is that the “plan” is simply a summary of the processes and procedures that the utility has, or will put into place, for the items stated at subpart (i) of this section. Another interpretation is that the “plan” is the compilation of the various procedures themselves, based on the statement “*The plan must include, at a minimum:*” and then lists several procedures.

If the intent is for each utility to file its procedures with the Commission, then NW Natural reiterates its objection to this requirement on the basis that this imposes an unnecessary degree of oversight and adds unnecessary administration for both the utility and the Commission, particularly when it is unclear how or even whether the information will be reviewed once it is submitted. If Staff anticipates a specific process associated with the submission of these procedures, then that process should also be stated in the rules. Otherwise, it’s little more than a requirement without a cause.

If the intent is for each utility to simply file a summary of its processes and procedures related to the implementation of these rule provisions, then NW Natural could retract its objection to this provision. Nonetheless, a requirement by rule for this type of filing seems unnecessary given that the utilities have already provided Staff with evidence in this docket that appropriate processes and procedures are already in place, and that Commission Staff may at any time request copies of actual procedural documents from the utility should they initiate any inquiry or investigation

NW Natural reiterates its recommendation that this section of the proposed rule provision be eliminated in the entirety. In the event this recommendation is denied, NW Natural suggests that this section of the proposed rule provision at least be clarified. The Company’s edits

attached with these comments reflect editorial changes based on an assumption that the required filing would be a summary of procedures.

In addition, Staff uses the term “mislabeled meter bases” in this section in reference to a required procedure. The term “mislabeled meter bases” was not a term known to NW Natural prior to this rulemaking; we believe that “meter bases” is an electric terminology. Assuming that the term is in reference to situations where a meter was assigned to the wrong service address (e.g. Meter 1 was assigned to Apt A but should have been assigned to Apt B and Meter 2 was assigned to Apt B but should have been assigned to Apt A), NW Natural suggests, at least for purposes of the gas rule, that a more generic term be used, such as “Improperly assigned meters.”

4. **Section 7.** NW Natural has several concerns about the language used in section 7, and about the inclusion of part (b) as an exemption.

First, the purpose of the language in the proposed part (b) is to clarify that the issuance of bills based on an estimated meter read, and the subsequent bill to reflect an actual meter read, are not defined as meter failures or malfunctions nor are they bill corrections under the rule. This is not the same thing as an exemption. Part (b) is more appropriately presented as a stand-alone section.

The next concern is with the overly broad statement that the subparts of section 7 are “exempt from the provisions of subsection (5) (a).” It is inappropriate to wholly exempt proposed part (5) (a). To do so would infer that a corrected bill should not be issued in the case of tampering or fraudulent use. NW Natural understands the exemption is intended to be specific to the six-month restriction on the time period for which an underbilled amount can be collected. As such, section 7 should be restated, and NW Natural suggests the following:

“Corrected bills related to an underbilling due to tampering or interference with the utility’s property, use of the utility’s service through an illegal connection, or the-fraudulent use of a utility’s service, are exempt from the six-month restriction set forth in subsection (5) (a) of this rule.

NW Natural appreciates the opportunity to comment in this proceeding. The Commission’s consideration of these comments and suggested editorial revisions to the proposed rule language is appreciated. NW Natural is available to answer any questions Commission Staff may have about our comments and suggestions.

Please address correspondence on this matter to me with copies to the following:

eFiling
Rates & Regulatory Affairs
NW Natural
220 NW Second Avenue
Portland, Oregon 97209
Telecopier: (503) 721-2516
Telephone: (503) 226-4211, x3589
eFiling@nwnatural.com

Sincerely,

NW NATURAL

/s/ Onita King

Onita R. King
Rates and Regulation

Attachments: (2)

- NWN Edits to 480-90-178 Proposed Rule in Redline
- NWN Edits to 480-90-178 Proposed Rule, Clean

AMENDATORY SECTION (Amending WSR 11-06-032, filed 2/25/11,
effective 3/28/11)

WAC 480-90-178 Billing requirements and payment date. (1)

Customer bills must:

(a) Be issued at intervals not to exceed two one-month billing cycles, unless the utility can show good cause for delaying the issuance of the bill. The utility must be able to show good cause if requested by the commission;

(b) Show the total amount due and payable;

(c) Show the date the bill becomes delinquent if not paid;

(d) Show the utility's business address, business hours, and toll-free telephone number and emergency telephone number by which a customer may contact the utility;

(e) Show the current and previous meter readings, the current read date, and the total amount of therms used;

(f) Show the amount of therms used for each billing rate, the applicable billing rates per therm, the basic charge or minimum bill;

(g) Show the amount of any municipal tax surcharges or their respective percentage rates;

(h) Clearly identify when a bill has been prorated. A prorated bill must be issued when service is provided for a fraction of the billing period. Unless otherwise specified in the utility's tariff, the charge must be prorated in the following manner:

(i) Flat-rate service must be prorated on the basis of the proportionate part of the period that service was rendered;

(ii) Metered service must be billed for the amount metered. The basic or minimum charge must be billed in full;

(i) Clearly identify when a bill is based on an estimation.

(i) A utility must detail its method(s) for estimating customer bills in its tariff;

(ii) The utility may not estimate for more than four consecutive months unless the cause of the estimation is inclement weather, terrain, or a previous arrangement with the customer; and

(j) Clearly identify determination of maximum demand. A utility providing service to any customer on a demand basis must detail in its filed tariff the method of applying charges and of ascertaining the demand.

(2) The minimum time allowed for payment after the bill's mailing date must be fifteen days, if mailed from within the states of Washington, Oregon, or Idaho, or eighteen days if mailed from outside the states of Washington, Oregon, and Idaho.

(3) The utility must allow a customer to change a designated payment-due date when the customer has a satisfactory reason for the change. A satisfactory reason may include, but is not limited to, adjustment of a designated payment-due date to parallel receipt of income. The preferred payment date must be prior to the next billing date.

(4) With the consent of the customer, a utility may provide billings in electronic form if the bill meets all the requirements for the use of electronic information in this chapter. The utility must maintain a record of the consent as a part of the customer's account record, and the customer may change from electronic to printed billing upon request, as provided in this chapter. The utility must complete the change within two billing cycles of the request.

(5) Corrected bills:

(a) A utility must issue a corrected bill upon discovery
finding that of an underbilling or overbilling occurred as a
resulting of from a meter failure, meter malfunction, meter with
unassigned energy usage, or any other billing error situation where
energy usage was not billed or was inaccurately billed. , a utility
must issue the customer a corrected bill to recover or refund
billed amounts. The utility must use the rates and rate schedule
in effect during at the time of each affected billing period(s)
covered by the corrected bill. The utility must issue the corrected
bill within sixty days from the date the utility discovered
confirmed that an account had been under- or overbilled. The
utility may choose to not issue a corrected bill for amounts less
than \$1.00. the underbilling or overbilling. However, Except as
provided for in subsection (7) of this section, when a utility's
investigation finds discovers that it has underbilled a
customer energy usage, it may not seek to collect underbilled
amounts that are older than for six months from the date that such
energy usage was last underbilled. any period greater than six
months from the date the error occurred. When the utility's

investigation finds that it has overbilled energy usage, it must refund or credit amounts for the period in which the overbilling occurred, but the utility is not required to refund amounts related to an overbilling that occurred more than twenty-four months from the date that energy usage was last overbilled.

(b) For the purposes of this ~~subsection~~ rule:

(i) A meter failure or malfunction is defined as: A mechanical malfunction or failure that prevents the meter or any ancillary data collection or transmission device from registering or transmitting the actual amount of energy used. A meter failure or malfunction includes, but is not limited to, a stopped meter, a meter that is faster or slower than the metering tolerance specified in WAC 480-90-338, or an erratic meter.

(ii) ~~For the purpose of this rule, An~~ unassigned energy usage meter is defined as a meter that is installed at a valid service address and accurately records energy usage during a period of time where there was no active gas service account at that premises.

~~(iii) For the purpose of this rule, a billing error is defined as any error which results in incorrect charges.~~

(c) A utility must develop and maintain procedures that establish practices for the ~~to-prompt~~ identification of ~~and repair~~ ~~or replace~~ meters that are not functioning correctly and for the identification of ~~meter usage from~~ unassigned usage meters. The objective of such procedures shall be to mitigate the number of underbilling occurrences ~~address steps taken to prevent corrected bills for underbilling errors~~ that exceed six months in duration. ~~The~~ Each energy utility will file a summary of such ~~initial plan delineating the~~ procedures ~~must be filed~~ with the commission by May 1, 2016. ~~If~~ ~~the utility must file a new summary makes subsequent changes to the plan, the modified plan must be filed~~ with the commission within thirty days ~~of~~ ~~from the~~ ~~any~~ date of any procedure additions or cancellations. ~~changes. The plan~~ The summary must include procedures that ~~must include~~ address, at a minimum:

(i) ~~Procedures~~ Practices to prevent the issuance of corrected bills due to billing errors resulting from, but not limited to, ~~billing errors due to~~ incorrect prorated bills, ~~mis~~labeled meter ~~bases~~ improperly assigned meters, incorrectly installed meters,

incorrect billing rate schedules, ~~or~~ incorrect billing multipliers,
or any other similar event that may affect billing accuracy.

(ii) ~~Procedures-Processes~~ for the investigation~~ing~~ of meter
~~errors-issues~~ including, but not limited to, ~~those created by~~
stopped, slowed, and erratic usage meters.

(iii) ~~Procedures-Processes~~ for the prompt identification of
~~investigating meter usage from~~ unidentified usage meters.

(6) For the purpose of this rule, a corrected bill may take
the form of a newly issued bill or may be reflected as a line item
adjustment on a subsequent monthly bill. When a corrected bill is
issued, the utility must provide the following information on the
corrected bill, in a bill insert, letter, or any combination of
methods that clearly explains all the information required to be
sent to the customer:

(a) The reason for the bill correction;

(b) A breakdown of the bill correction for each month included
in the corrected bill;

(c) The total amount of the bill correction that is due and
payable;

(d) The time period covered by the bill correction;

(e) The actions taken to resolve the cause of the bill correction; and

(f) When issuing a corrected bill for an underbilling, an explanation of the availability of payment arrangements in accordance with WAC 480-90-138(1) Payment arrangements.

(7) Corrected bills related to an underbilling issued due for the following purposes are exempt from the provisions of subsection (5) (a) of this section:

(a) Meter failure or malfunction or billing error related to customer tampering or interference with the utility's property, use of the utility's service through an illegal connection, or the fraudulent customer fraudulently use of obtaining a utility's service, are exempt from the six-month restriction set forth in subsection (5) (a) of this rule.

(8b) An estimated meter read made in accordance with subsection (1) (i) of this section is not considered a meter failure or malfunction or a situation where energy usage was inaccurately billed billing error. A bill true-up based on an actual meter

reading after one or more estimated bills is not considered a corrected bill for purposes of subsection (5) (a) of this section.

[Statutory Authority: RCW 80.01.040 and 80.04.160. WSR 11-06-032 (Docket U-100523, General Order R-563), § 480-90-178, filed 2/25/11, effective 3/28/11; WSR 01-11-003 (Docket No. UG-990294, General Order No. R-484), § 480-90-178, filed 5/3/01, effective 6/3/01.]

AMENDATORY SECTION (Amending WSR 11-06-032, filed 2/25/11,
effective 3/28/11)

WAC 480-90-178 Billing requirements and payment date. (1)

Customer bills must:

(a) Be issued at intervals not to exceed two one-month billing cycles, unless the utility can show good cause for delaying the issuance of the bill. The utility must be able to show good cause if requested by the commission;

(b) Show the total amount due and payable;

(c) Show the date the bill becomes delinquent if not paid;

(d) Show the utility's business address, business hours, and toll-free telephone number and emergency telephone number by which a customer may contact the utility;

(e) Show the current and previous meter readings, the current read date, and the total amount of therms used;

(f) Show the amount of therms used for each billing rate, the applicable billing rates per therm, the basic charge or minimum bill;

(g) Show the amount of any municipal tax surcharges or their respective percentage rates;

(h) Clearly identify when a bill has been prorated. A prorated bill must be issued when service is provided for a fraction of the billing period. Unless otherwise specified in the utility's tariff, the charge must be prorated in the following manner:

(i) Flat-rate service must be prorated on the basis of the proportionate part of the period that service was rendered;

(ii) Metered service must be billed for the amount metered. The basic or minimum charge must be billed in full;

(i) Clearly identify when a bill is based on an estimation.

(i) A utility must detail its method(s) for estimating customer bills in its tariff;

(ii) The utility may not estimate for more than four consecutive months unless the cause of the estimation is inclement weather, terrain, or a previous arrangement with the customer; and

(j) Clearly identify determination of maximum demand. A utility providing service to any customer on a demand basis must detail in its filed tariff the method of applying charges and of ascertaining the demand.

(2) The minimum time allowed for payment after the bill's mailing date must be fifteen days, if mailed from within the states of Washington, Oregon, or Idaho, or eighteen days if mailed from outside the states of Washington, Oregon, and Idaho.

(3) The utility must allow a customer to change a designated payment-due date when the customer has a satisfactory reason for the change. A satisfactory reason may include, but is not limited to, adjustment of a designated payment-due date to parallel receipt of income. The preferred payment date must be prior to the next billing date.

(4) With the consent of the customer, a utility may provide billings in electronic form if the bill meets all the requirements for the use of electronic information in this chapter. The utility must maintain a record of the consent as a part of the customer's account record, and the customer may change from electronic to printed billing upon request, as provided in this chapter. The utility must complete the change within two billing cycles of the request.

(5) Corrected bills:

(a) A utility must issue a corrected bill upon finding that an underbilling or overbilling occurred as a result of a meter failure, meter malfunction, meter with unassigned energy usage, or any situation where energy usage was not billed or was inaccurately billed. The utility must use the rates and rate schedule in effect during the billing period(s) covered by the corrected bill. The utility must issue the corrected bill within sixty days from the date the utility confirmed that an account had been under- or overbilled. The utility may choose to not issue a corrected bill for amounts less than \$1.00. Except as provided in subsection (7) of this section, when a utility's investigation finds that it has underbilled energy usage, it may not collect underbilled amounts that are older than six months from the date that such energy usage was last underbilled. When the utility's investigation finds that it has overbilled energy usage, it must refund or credit amounts for the period in which the overbilling occurred, but the utility is not required to refund amounts related to an overbilling that occurred more than twenty-four months from the date that energy usage was last overbilled.

(b) For the purposes of this rule:

(i) A meter failure or malfunction is defined as: A mechanical malfunction or failure that prevents the meter or any ancillary data collection or transmission device from registering or transmitting the actual amount of energy used. A meter failure or malfunction includes, but is not limited to, a stopped meter, a meter that is faster or slower than the metering tolerance specified in WAC 480-90-338, or an erratic meter.

(ii) An unassigned energy usage meter is defined as a meter that is installed at a valid service address and accurately records energy usage during a period of time where there was no active gas service account at that premises.

(c) A utility must develop and maintain procedures that establish practices for the prompt identification of meters that are not functioning correctly and for the identification of unassigned usage meters. The objective of such procedures shall be to mitigate the number of underbilling occurrences that exceed six months in duration. Each energy utility will file a summary of such procedures with the commission by May 1, 2016. The utility must

file a new summary with the commission within thirty days from the date of any procedure additions or cancellations. The summary must include procedures that address, at a minimum:

(i) Practices to prevent the issuance of corrected bills due to incorrect prorated bills, improperly assigned meters, incorrectly installed meters, incorrect billing rate schedules, incorrect billing multipliers, or any other similar event that may affect billing accuracy.

(ii) Processes for the investigation of meter issues including, but not limited to, stopped, slowed, and erratic usage meters.

(iii) Processes for the prompt identification of unidentified usage meters.

(6) For the purpose of this rule, a corrected bill may take the form of a newly issued bill or may be reflected as a line item adjustment on a subsequent monthly bill. When a corrected bill is issued, the utility must provide the following information on the corrected bill, in a bill insert, letter, or any combination of

methods that clearly explains all the information required to be sent to the customer:

(a) The reason for the bill correction;

(b) A breakdown of the bill correction for each month included in the corrected bill;

(c) The total amount of the bill correction that is due and payable;

(d) The time period covered by the bill correction;

(e) The actions taken to resolve the cause of the bill correction; and

(f) When issuing a corrected bill for an underbilling, an explanation of the availability of payment arrangements in accordance with WAC 480-90-138(1) Payment arrangements.

(7) Corrected bills related to an underbilling due to tampering or interference with the utility's property, use of the utility's service through an illegal connection, or the fraudulent use of a utility's service, are exempt from the six-month restriction set forth in subsection (5)(a) of this rule.

(8) An estimated meter read made in accordance with subsection (1) (i) of this section is not considered a meter failure or malfunction or a situation where energy usage was inaccurately billed. A bill true-up based on an actual meter reading after one or more estimated bills is not considered a corrected bill for purposes of subsection (5) (a) of this section.

[Statutory Authority: RCW 80.01.040 and 80.04.160. WSR 11-06-032 (Docket U-100523, General Order R-563), § 480-90-178, filed 2/25/11, effective 3/28/11; WSR 01-11-003 (Docket No. UG-990294, General Order No. R-484), § 480-90-178, filed 5/3/01, effective 6/3/01.]