

EXHIBIT NO. ___(GA-1T)
DOCKET NO. U-111465
WITNESS: GILBERT ARCHULETA

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

<p>WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,</p> <p>Complainant,</p> <p>v.</p> <p>PUGET SOUND ENERGY, INC.,</p> <p>Respondent.</p>	<p>Docket No. U-111465</p>
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**PREFILED RESPONSE TESTIMONY OF
GILBERT ARCHULETA
ON BEHALF OF PUGET SOUND ENERGY, INC.**

JULY 27, 2012

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PUGET SOUND ENERGY, INC.
PREFILED RESPONSE TESTIMONY OF
GILBERT ARCHULETA

4 **Q. Please state your name and business address.**

5 A. My name is Gilbert Archuleta. My business address is 19900 North Creek
6 Parkway, Bothell, Washington 98011.

7 **Q. By whom are you employed and in what capacity?**

8 A. I am employed by Puget Sound Energy, Inc. ("PSE") as Manager, Reporting and
9 Analysis in the Customer Care organization.

10 **Q. Have you prepared an exhibit describing your education, relevant**
11 **employment experience, and other professional qualifications?**

12 A. Yes, I have. It is Exhibit No. ____ (GA-2).

13 **Q. What are your duties as Manager, Reporting and Analysis in the Customer**
14 **Care organization?**

15 A. I am responsible for the daily oversight and operation of the reporting and
16 analysis team supporting the Customer Care organization. The team provides
17 business intelligence to the Customer Care leadership team by delivering daily,
18 monthly, annual and ad hoc reports, assisting with continuous process
19 improvement, developing quality assurance strategies and evaluating the customer
20 experience.

1 **Q. What is the purpose of your testimony?**

2 A. This testimony responds to the prefiled direct testimony of WUTC Staff witness
3 Rayne Pearson, Exhibit No. ___(RP-1T). Ms. Pearson is the only witness who
4 has filed testimony in this proceeding.

5 **Q. Please describe why PSE charged customers a disconnect fee following a**
6 **customer visit when the purpose of the visit was not to disconnect?**

7 A. In all cases, PSE's field representatives had been dispatched to a customer's
8 address based on a "disconnect for non-pay" service order after all required
9 notices had been provided to the customer. Under normal circumstances, these
10 field visits would have been for the purpose of disconnect. PSE's standard
11 process when visiting the customer's location on a disconnect order is either (1)
12 disconnect the customer; or (2) if the customer provides payment or, if the
13 customer claims to have made payment, commits to making a payment that day or
14 advises the representative that they have an appointment with a pledge agency,
15 the field representative will leave an additional 24-hour notice in lieu of
16 disconnecting and then PSE bills the \$13 disconnection visit charge.

17 However, because PSE had declared a non-disconnect day, there was no intent to
18 disconnect. Therefore, PSE should not have charged the \$13 disconnect visit
19 charge for those visits. Unfortunately, PSE did not have an exception process in
20 place to avoid billing the \$13 disconnect visit charge for non-disconnect days. To
21 address this issue, in May 2011, PSE implemented an exception process to
22 prevent billing of \$13 disconnect fees on non-disconnect days. This process

1 includes an audit of all field visits to ensure fees are not billed to the customer in
2 error.

3 **Q. Please describe why PSE declares non-disconnect days?**

4 A. PSE may declare a non-disconnect day under limited circumstances, primarily on
5 very cold weather days, storms and holiday periods. PSE may also declare a
6 'Non-Disconnect Day' for operational reasons when PSE may be unable to
7 reconnect customers in a timely fashion. Examples of operational reasons would
8 include an inability to reconnect customers within 24 hours due to location, or an
9 inability to address customer calls and provide the appropriate level of customer
10 service once the customer had been disconnected.

11 **Q. If PSE does not intend to disconnect customers on non-disconnect days, then
12 why are field representatives doing collection visits on those days?**

13 A. On a non-disconnect day, PSE may have field collectors continue to make
14 collection visits in an effort to collect outstanding balances. PSE has found that
15 many customers make payments at the door when PSE is there to disconnect their
16 service; therefore, PSE opts to continue the collection cycle even if there is no
17 intention of disconnecting services.

18 **Q. Do you agree with WUTC Staff's allegation that PSE "trained
19 representatives to bill a \$13 disconnect fee"?**

20 A. Not exactly. Ms. Pearson testifies that PSE's Response to WUTC Staff Data
21 Request No. 005 explains that field representatives dispatched to collect payments

1 or leave a 24-hour notice on "non-disconnect days" were trained to bill a
2 disconnect fee. Actually, PSE's Response to WUTC Staff Data Request No. 005
3 (Exh. No. ___(RP-9) only describes visits when the intent is to disconnect and
4 never mentions non-disconnect days. WUTC Staff Data Request No. 005 is a
5 request for "documentation of prior procedures" and, as explained in PSE's
6 Response, field representatives were trained to assess a disconnect fee in only two
7 scenarios: 1) if payment was received and 2) if the customer promises to pay.
8 Because the process involves an intent to disconnect, as indicated in the first box
9 of the flowchart, the process actually complies with Ms. Pearson's interpretation
10 of the disconnect rules, as described in her testimony on page 7, lines 17 through
11 21.

12 It is only on those limited instances when PSE made a collection visit on a "non-
13 disconnect day" that the intent to disconnect was removed. As discussed in PSE's
14 Answer and Response to WUTC Staff Data Request 005, PSE's procedures did
15 not include an exception process for those instances. As described in more detail
16 below, PSE added an exception process in May 2011.

17 **Q. Are there other areas where Ms. Pearson's testimony should be clarified?**

18 A. Yes. Primarily Ms. Pearson's testimony fails to mention: (1) the immediate
19 changes made to PSE's processes, which were implemented in 2011 to ensure that
20 disconnect visit fees were not charged when the intention was not to disconnect;
21 and (2) that PSE has already refunded the disconnect charges to customers that
22 were billed incorrectly.

1 **Q. Please describe the changes in process that were implemented and how PSE**
2 **addressed the gap in its procedures?**

3 A. In May 2011, PSE implemented an exception process to ensure that customers
4 were not billed disconnect visit charges on days when PSE declares a non-
5 disconnect day. Field representatives are dispatched to a customer's address in
6 line with the standard process due to a disconnect service order, as described
7 above. However, on non-disconnect days the field representative is informed that
8 the intent of the visit is to collect the outstanding balance rather than to disconnect
9 the customer. In these instances, if a customer takes action that would normally
10 result in a disconnect fee being applied, field agents instead close the service
11 order without applying the \$13 disconnect fee that would normally be billed for
12 such a visit.

13 Additionally, an auditing process was implemented along with the exception
14 process to ensure \$13 disconnect fees are not billed in error due to a field
15 representative oversight when closing the order. If there is a charge, the charge is
16 immediately reversed prior to being billed to the customer.

17 **Q. Do you agree with Ms. Pearson that PSE should refund customers for the**
18 **incorrect charges?**

19 A. Yes; and in fact, PSE immediately began refunding the customers identified in the
20 investigation in June 2011. Information regarding these refunds was provided to
21 WUTC Staff in PSE's Response to WUTC Staff Data Request No. 009. The
22 redacted version of PSE's response is provided herewith as Exhibit No. ___(GA-

1 3). Additionally, as PSE indicated in Exhibit No. ____ (GA-3), PSE proceeded to
2 refund the charges related to the 2010 period. PSE has refunded every customer
3 in this proceeding that was charged a \$13 disconnect fee on a non-disconnect day.

4 **Q. Do you agree with Ms. Pearson's testimony that PSE's actions harmed**
5 **affected customers?**

6 A. Not entirely. I agree that an erroneous charge to any customer is inappropriate
7 and should be corrected, regardless of how much income the customer makes or
8 how small the charge. PSE has made these corrections, so every customer
9 affected in this proceeding has been refunded. But Ms. Pearson ignores the
10 practical realities of PSE's actions. PSE made a decision not to disconnect any
11 customers on certain days. This means that most of these customers would have
12 been disconnected were it not for PSE's decision to declare a non-disconnect day.
13 If PSE had disconnected these customers instead of declaring a non-disconnect
14 day, the customer likely would have been without power for up to 24 hours either
15 during a cold weather event or during a storm. Also, if PSE had disconnected
16 these customers, they would have been responsible for paying a \$37 reconnect
17 fee, plus a deposit. Therefore, while the \$13 fee was admittedly inappropriate, it
18 is reasonable to believe that most customers would prefer not to be disconnected
19 and have to pay a reconnect fee and deposit.

20 **Q. Does this conclude your testimony?**

21 A. Yes, it does.