

**EXHIBIT NO. ___(APB-3)
DOCKET NO. U-110808
WITNESS: AGNES P. BARARD**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Docket No. U-110808

**SECOND EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED RESPONSE TESTIMONY OF
AGNES P. BARARD
ON BEHALF OF PUGET SOUND ENERGY, INC.**

JUNE 1, 2012



STATE OF WASHINGTON
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

April 15, 2009

Agnes Barard
Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009

Dear Ms. Barard:

This letter is sent as a reminder regarding the application of the Washington Utilities and Transportation Commission's prior obligation rules.

WAC 480-90-123(2) applies to gas companies, and WAC 480-100-123(3) applies to electric companies. The rules state "...A prior obligation is the dollar amount, excluding deposit amounts owed, the utility has billed to the customer and for which the utility has not received payment at the time the service has been disconnected for nonpayment....".

At the time of disconnection, the customer has two options for restoring service:

- 1) The customer must either pay the full amount owing shown on the disconnection notice, plus any reconnection fee, if the company is unwilling to bill that fee; or,
- 2) If the customer is unable to pay the full amount for which he or she was disconnected, the company must advise the customer of his or her right to instead pay a new deposit, plus reconnection fee, if the company is unwilling to bill that fee. If the customer is unable to pay the full deposit amount, the company must offer deposit arrangements in accordance with WAC 480-90-113(4) for gas companies and WAC 480-100-113(4) for electric companies of no more than half to be paid at the time of restoral, and the other half spread equally over the next two months. The company may spread the arrangements over more months, but not less.

If the customer is unable to pay the full amount owing, then past due amount shown on the disconnection notice, plus any other amount that has already been billed to the customer, immediately becomes prior obligation.



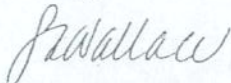
The company may, in addition to collecting a deposit under option 2, accept arrangements on the prior obligation amount to keep it from going to outside collections. However, the pending dollar amount not paid must still be considered prior obligation. The company must never again threaten a customer's service over the prior obligation amount if the customer fails to make or keep the arrangement on that amount.

The only time, after a disconnection of service that the past due amount does not become prior obligation, is:

- 1) When the customer pays the total amount shown past due on the effecting disconnection notice; or,
- 2) When the disconnection of service happened because the customer did not keep the payment arrangement made under the winter low-income payment program in WAC 480-90-143 for gas customers, and WAC 480-100-143 for electric customers.

If you have questions about these rules, please contact Diana Otto at (360) 664-1104.

Sincerely,



Sharon Wallace, Assistant Director
Consumer Protection and Communications