

1 **Q. What is the nature of your prefiled response testimony?**

2 A. The purpose of my testimony is to describe PSE's investigation into the 26
3 accounts in question in U-100182 and to provide a detailed review of each of the
4 21 accounts that are the basis for WUTC Staff's ("Staff") current allegations in
5 this proceeding.

6 **Q. Please describe what actions PSE took to investigate the 26 accounts in**
7 **question in U-100182 following approval of the settlement agreement?**

8 A. After a meeting with Staff on December 31⁰, 2010, PSE understood that it was to
9 complete an investigation of a sample of the accounts in question to determine if
10 further corrective action was required, *i.e.*, to determine if there would be a
11 material impact to the customer's account had it been handled according to Staff's
12 interpretation in October 2009 (14 months earlier), or would the impact be merely
13 internal accounting actions. Accordingly, PSE completed its review of a sample
14 of five accounts by January 26, 2011. This sample review demonstrated that only
15 one account would be eligible for a refund of a reconnect fee, and customers
16 representing three of the accounts were no longer living at the service address.
17 PSE planned to discuss the investigation results and additional steps with Staff
18 before undertaking any further investigation.

19 It was not until after a meeting with Staff on May 3, 2011 that PSE realized that
20 Staff expected all 26 accounts to be investigated, and furthermore, that Staff
21 expected PSE would reprocess the accounts.

1 **Q. Why did PSE believe that it was only required to investigate a sample of five,**
2 **rather than the full 26 accounts?**

3 A. My understanding is that a discussion occurred at the December 31⁰, 2010 meeting
4 and Staff agreed that PSE need only investigate a sample of the accounts. I was
5 instructed to select five accounts to investigate, see if monetary changes to the
6 customer's account would occur as a result of applying Staff's interpretation of
7 the prior obligation rules, and to report back the outcome of investigating these
8 accounts. As noted previously, I completed this sample on January 26, 2011.

9 **Q. Please discuss the process used by PSE to conduct the investigation.**

10 A. PSE reviewed three primary elements to determine how, if at all, a customer
11 would be impacted by a prior obligation correction to that customer's account.
12 The first element was to determine if the customer was still at the original location
13 where the disconnection for nonpayment occurred and whether or not the
14 customer had an active account at that address. The second element was to
15 determine if the customer had any subsequent disconnections between the time of
16 the original violation and the signing of the Joint Motion in Docket No. U-100182
17 ("Joint Motion"). The third element of the investigation was to compare the
18 energy service charges from the time of the original violation through December
19 2010 to the amounts pledged on the account and compare the amounts to any
20 outstanding balances on the account. See the Second Exhibit to my Prefiled
21 Response Testimony, Exhibit No. ___(KRM-3), for detailed investigation
22 procedures and results.