

Before the Washington Utilities and Transportation Commission

In the Matter of the Rule-Making Proceeding
Related to Gas and Electric Companies --
Chapters 480-90 and 480-100 WAC

Docket Numbers UE-990473
and UG-990294

Comments of The Energy Project
April 20, 2000

The Energy Project is pleased to offer the following comments in response to the second drafts of the gas and electric company consumer rules. It has been our experience that the WUTC's workshops on this subject have been conducted with a great deal of attention to detail, as is demonstrated by the line-by-line discussion of the first draft. With that in mind we will draw attention to only a few points which we believe deserve special emphasis. Beyond these comments, we find our issues are well covered by the comments offered by Public Counsel, whose positions we support.

First and foremost of the exceptions to this general support is the rewording of section 056 Refusal of Service. It is an exception to the extent that we wish to object even more strongly than Public Counsel to any weakening of the existing law regarding prior obligation. At a time when the future of the utility business is cloudy at best it is extremely unwise to reduce or remove any of the existing consumer protections. Rather, this is the time to put in place the consumer protections that will need to be assumed by any future structure to the industry. For example, we believe the staff's inclusion of a new rule regarding Consumer proprietary information (XX6) is a good example of such proactive consumer protection.

Second, we are very concerned that the mechanism suggested in section XX5 Winter low-income payment program. Section (1)(b) seems to require of the LIHEAP sub grantees a determination that we don't believe the Commission has jurisdiction to require ("The grantee will . . . determine that the household income . . . provide a dollar figure to the company that is seven percent of the household income."). Further, when determining eligibility is in conjunction with the LIHEAP program, this service does not require any significant effort on the part of the grantee. Unfortunately, the LIHEAP program is quite seasonal. In recent years funding has been

released late - into the middle of the heating season - and runs out early. When the funds run out, most grantees no longer eligibilize clients. As a result, customers may not be able to demonstrate their income eligibility for a good part of the heating season, if not for the year in general. Then, too, it is important to realize the LIHEAP funds are only sufficient to serve about 20% of those who are eligible, leaving a very large number at risk.

The suggested mechanism reveals one of the significant failings our system has in trying to serve those who can't pay (as opposed to those who don't or won't). Utilities rely on LIHEAP sub-grantees to determine whether a customer is eligible for a program, usually without paying for that service. Participation in a number of payment programs is often based on similar eligibility qualifications. With the limitations of the LIHEAP funding, the sub-grantees can only provide this service for far fewer customers than would qualify and then only for a very short window. At least one Washington utility indicates their greatest level of arrearages and number of shut-offs in the March-April time frame - essentially when the winter moratorium is over. Ideally, payment troubled households should be able to qualify for some sort of assistance at this time. It is also when most the local LIHEAP providers are laying off their intake staff.

Finally, we must note that there is a problem with section 90-071 (4) which states Combination utilities may not disconnect a customer's gas when the electricity is disconnected. Avista has suggested that the section should be stricken. If we understand them correctly, Avista has said that when an account is in arrears, they don't have a means to tell which, if either, service is paid in full. In such a case they would choose to disconnect the service that may be disconnected more safely and cheaply - the electricity. Unfortunately, for most low-income homes heating with gas, this amounts to turning off their gas heating. With the exception of a few, newer gas wall heaters or inserts (which aren't likely to appear in most low-income homes), gas heating equipment depends on electricity for fans and safety equipment to work, even if there is a pilot light. If there is no electricity, the safety equipment does not let the gas flow. When the electricity is cut off, the household may have hot water and may be able to cook, but they will not have heat. If they attempt to compensate by using their gas cook stove as a heater (as many are), they run the risk of carbon monoxide poisoning.

Thank you for your consideration of these issues. We look forward to meeting with you to discuss them at the workshop.