

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Request of PUGET SOUND ENERGY, Petitioner, For Less Than Statutory Notice in Connection with Tariff Revisions	DOCKET UE-200331 ORDER 01 GRANTING LESS THAN STATUTORY NOTICE; ALLOWING TARIFF REVISIONS TO BECOME EFFECTIVE
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BACKGROUND

- 1 On April 6, 2020, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-60, which adds new tariff pages identified as 129-A2, A3, and A4. The purpose of this filing is to incorporate into PSE’s low-income tariff a new temporary bill assistance program, Crisis Affected Customer Assistance Program (CACAP), to mitigate the economic impact of the COVID-19 pandemic on PSE’s customers. CACAP would allow PSE customers facing financial hardship due to COVID-19 to receive up to \$1,000 in bill assistance. Customers would submit applications for assistance through PSE’s online portal,¹ and PSE would review applications and issue credits to qualifying accounts.
- 2 RCW 80.28.060 and WAC 480-80-121 require public service companies to provide 30 days’ notice to the Commission prior to the proposed effective date of any tariff filing. The tariff sheets filed by PSE on April 6, 2020, bear an effective date of May 6, 2020, which recognizes the required 30-day statutory notice. The Company, however, requests less than statutory notice as permitted by WAC 480-80-122, which would allow the revisions to become effective on April 13, 2020. PSE requests less than statutory notice to allow the Company to provide immediate assistance to customers experiencing a loss of income due to the COVID-19 pandemic and related state mandates on essential services and social distancing.²

¹ PSE will also accept applications by phone and mail.

² See Proclamation of the Governor Amending Proclamation 20-05; 20-25 Stay Home – Stay Healthy (March 23, 2020).

- 3 PSE additionally commits in its filing to including reporting CACAP customer participation in its 2019-2020 Low Income Program Outcome Report compliance filing, which will be submitted in May 2021.³ This report will contain a summary of PSE's CACAP outreach strategy, including but not limited to PSE customer service agent communications when a customer indicates an inability to pay their bill due to the COVID-19 pandemic. PSE also stated it will continue to collaborate with the PSE Home Energy Lifeline Program (HELP) Low-income Advisory Group on further potential improvements to PSE HELP in the near-term.
- 4 Similarly, WAC 480-100-194 requires 30 days' notice to customers. This filing does not increase costs to customers. The Company proposes that it will communicate the proposed tariff changes, as required by law and the Commission's rules and regulations, via the Company's website, by telephone, and by mail in accordance with WAC 480-100-193. Commission staff (Staff) recommends the Commission, on its motion, waive the 30-day notice requirements for customers.
- 5 Staff has reviewed the proposed temporary program and believes it is a reasonable approach to addressing the sudden economic hardship facing customers due to the COVID-19 pandemic. The program puts to immediate use \$11 million in unspent low-income funds from prior years, and supplements other forms of financial assistance. The program does not require an increase to rates and is fully compatible with other low-income programs, such as LIHEAP and HELP. The program will automatically end when all of the funds are disbursed.
- 6 Staff also supports PSE's administration of the program, including processing applications. The sudden loss of income customers are experiencing will create a surge in demand for financial assistance that threatens to overwhelm the already-strained resources of Community Action Agencies (CAAs). Staff believes that the program is necessary to allow PSE to respond to its customers' rapidly changing economic circumstances.
- 7 Staff believes that allowing the proposed tariff revisions to become effective with less than statutory notice is reasonable and consistent with the public interest. Staff recommends the Commission grant PSE's request to allow the proposed tariff revisions to go into effect with less than statutory notice on April 13, 2020.

³ Pursuant Docket Nos. UE-011570 and UG-011571 (*Consolidated*), Twelfth Supplemental Order.

8 On April 7, 2020, the Energy Project (TEP) submitted comments regarding recent communications with each of the Investor Owned Utilities' (IOUs) respective energy assistance advisory groups. The letter described an April 2, 2020, meeting where PSE, TEP, Public Counsel, NWECA, Staff, and CAAs met to discuss expected impacts of COVID-19 on PSE's HELP funding. While the Company stated its intent to file with the Commission a request to form a new assistance program separate from HELP, it did not provide a written proposal at the meeting. TEP expressed concerns related to the potential complications of administering parallel programs, the potential for cross-subsidization between electric and gas customers, potentially inadequate resources, customer confusion, and accessibility issues for customers with no or limited internet access.

9 On April 9, 2020, TEP filed a second letter. At the Commission's regularly scheduled open meeting on April 10, 2020, TEP stated that it would support the proposed tariff revisions subject to the 12 conditions outlined in its second letter.⁴

10 On April 9, 2020, Public Counsel also filed comments expressing concerns that it had inadequate time to review and comment on the filing. Public Counsel further stated that while it shared PSE's goal to provide assistance to customers as quickly and efficiently as possible during this crisis, CACAP's implementation should not unintentionally harm PSE's most economically vulnerable customers.

11 At the April 10, 2020, open meeting, Public Counsel also provided oral comments that were generally supportive of the proposed tariff revisions. Public Counsel recommended the Commission approve the tariff revisions with eight conditions.⁵

⁴ TEP's recommended conditions are as follows: 1) ensuring the tariff makes clear that customers may apply for assistance by phone or in writing; 2) directing PSE to work with CAAs to assist with streamlining HELP delivery and report those results to the Commission within two weeks; 3) directing PSE to develop a plan for immediately publicizing the existing HELP program and report results to the Commission within two weeks; 4) require PSE to report on CACAP outreach within two weeks rather than waiting until May 2021; 5) require correct application of natural gas and electric funds; 6) preserve access to HELP funding by amending the tariff to clarify that the \$11 million CACAP amount is a hard cap, not subject to "re-evaluation" by the Company; 7) clarify that customers are still eligible for HELP and LIHEAP grants in addition to CACAP; 8) require PSE to file a CACAP status report every 30 days after its implementation; 9) revise the tariff to include a sunset date of September 30, 2020; 10) clarify that CACAP is provided at no additional costs to customers; 11) clarify that WAC 480-100-153 related to the disclosure of private customer information applies to CACAP; and 12) schedule regular Low-income Advisory Group meetings on at least a monthly basis.

⁵ Public Counsel's recommended conditions are as follows: 1) specify in the tariff that income-qualifying customers may receive CACAP in addition to HELP benefits; 2) clarify that phone and

12 Public Counsel additionally raised the question of whether PSE's ability to distribute the funds directly as authorized by the Governor's Proclamation will expire when the Proclamation expires, subject to extension.

13 On April 9, 2020, NW Energy Coalition (NVEC) also filed written comments with recommendations that mirrored those made by TEP and Public Counsel with two exceptions.⁶

14 At the Commission's April 10, 2020, open meeting, PSE offered additional comments in response to proposed conditions and made commitments as follows:

1. *Allowing phone and written applications.* The tariff language says customers may apply "alternatively" by phone or mail. PSE clarified that this language does not imply these are less favored methods of application. PSE will accept customer requests equally, regardless of format.
2. *Streamlining HELP fund delivery.* This can be accomplished without tariff changes; PSE agrees with this suggestion and will engage with CAAs as requested.
3. *Plan for promoting HELP.* The Company proposes reporting 30 days out instead of two weeks.
4. *Reporting on CACAP outreach.* The Company will file the report informally with the Low-income Advisory Group within 30 days.
5. *Require correct application of gas and electric funds.* PSE agrees to monitor the application of funds.

paper applications are acceptable; 3) direct PSE to ensure that adequate funding remains for HELP grants to accommodate any sudden surge in applications for assistance and appropriately allocate gas funding that has rolled over from previous program years; 4) direct PSE to work with CAAs to refer eligible customers for HELP benefits; 5) direct the Company to modify HELP eligibility requirements to align with emergency guidance provided by the Department of Commerce to allow verbal authorization and a wide array of acceptable documentation to verify income and allow HELP applicants to verify income with one month rather than three months of documentation; 6) protect consumer data from use by third-parties; 7) acknowledge that PSE's authority to directly distribute low income funds was delegated by the Governor's Proclamation; and 8) direct the Company to work more collaboratively with its Low-income Advisory Group.

⁶ Those exceptions include the following additional recommendations: 1) PSE should not require customers to first attempt to use the portal before applying telephonically or in writing; and 2) direct PSE not to expend rate payer funds on outside consultants or contractors related to CACAP.

6. *Preserve access to HELP funding.* The Company's tariff states that it may "re-evaluation" the \$11 million cap in the future. PSE clarified that it does not have the authority to modify the cap, but that if appropriate the amount may be revisited collaboratively with stakeholders at some point in the future.
7. *Customer eligibility for HELP and LIHEAP.* PSE clarified that there is no restriction that prevents customers from receiving assistance from all three programs, provided they meet eligibility requirements.
8. *Reporting on CACAP.* The Company agrees to report in this docket within 30 days on the status of the program.
9. *Sunset date.* PSE reiterated that the program will end when the \$11 million in funds are dispersed.
10. *Statement of no cost to ratepayers.* PSE clarified that CACAP imposes no costs on ratepayers.
11. *Customer privacy.* PSE will continue to comply with existing rules prevent the disclosure of customer information.
12. *Meeting with Low-income Advisory Group.* PSE agrees to schedule regular Low-income Advisory Group meetings on at least a monthly basis.

DISCUSSION

- 15 We agree with Staff that the proposed revisions, which were filed in response to an emergency situation that has caused financial hardship for many PSE customers, are decidedly in the public interest.
- 16 Due to the increased administrative burden on CAAs and the urgent need for rapid deployment of bill assistance funds, we agree with Staff that the efficiencies provided by PSE's administration of the funds justifies the Company's active involvement. The Company's additional commitments, as explained in detail at the April 10, 2020, open meeting, will provide ample opportunities to refine these emergency services and make any necessary modifications.
- 17 Although we acknowledge TEP's, Public Counsel's, and NWECA's concerns, we are satisfied that each has been sufficiently addressed or resolved by the Company's assurances described in paragraph 14, above. We agree with Staff's assessment that CACAP is fully compatible with other programs offering low-income assistance, namely LIHEAP and HELP. CACAP will complement LIHEAP and HELP by primarily focusing

on customers with a COVID-related loss of income, including customers who have never before received energy assistance, as well as customers who previously received energy assistance but now face increased difficulty paying their bills. Notably, CACAP will not impact HELP resources.

18 We also grant the Company's request for less than statutory notice and, on our motion, grant the Company an exemption from the customer notice requirements in WAC 480-100-194. Pursuant to RCW 80.28.060 and WAC 480-80-122, the Commission may allow tariff changes, for good cause shown, without requiring 30 days' notice by order specifying the changes to be made and the time when the Order shall take effect. Here, we find that the COVID-19 pandemic and the associated issues that could leave customers unable to pay their electricity bills during a state of emergency unequivocally constitutes good cause to permit the tariff revisions to become effective on less than statutory notice. In addition, granting an exemption from the customer notice requirements in WAC 480-100-194 is consistent with applicable statutes, underlying regulations, and the public interest because it provides additional financial resources to customers in need on an expedited basis.

FINDINGS AND CONCLUSIONS

- 19 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.
- 20 (2) Puget Sound Energy is an electric company and a public service company subject to Commission jurisdiction.
- 21 (3) This matter came before the Commission at its regularly scheduled meeting on April 10, 2020.
- 22 (4) Staff has reviewed PSE's request in Docket UE-200331 and recommends the Commission approve the proposed tariff revisions. Staff further recommends the Commission grant the Company's request for less than statutory notice.
- 23 (5) PSE is subject to RCW 80.28.060, WAC 480-80-121, and WAC 480-100-194, which require electric companies to file changes in any rate, charge, or service with 30 days' notice to the Commission and its customers. For good cause shown,

however, the Commission may allow changes without requiring 30 days' notice by order specifying the changes to be made and the time when it shall take effect.⁷

- 24 (6) Based on the COVID-19 pandemic and resulting state of emergency, the Commission finds good cause to allow the tariff revisions filed by Puget Sound Energy on April 6, 2020, to become effective with less than statutory notice on April 13, 2020.
- 25 (7) PSE is also subject to WAC 480-100-194, which requires 30 days' notice to customers of any proposed tariff revision. Under WAC 480-07-110, the Commission may, on its own motion, grant an exemption from any Commission rule if doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 26 (8) Providing emergency financial relief to customers facing economic hardship without requiring 30 days' notice is consistent with the public interest, the purposes underlying regulation, and applicable statutes. Accordingly, the Commission should grant PSE and exemption from WAC 480-100-194 on its motion.

ORDER

THE COMMISSION ORDERS:

- 27 (1) Puget Sound Energy's request for less than statutory notice is granted.
- 28 (2) The Commission, on its own motion, grants Puget Sound Energy an exemption from WAC 480-100-194.
- 29 (3) Puget Sound Energy is directed to file a revised tariff page with an effective date of April 13, 2020.⁸
- 30 (4) The tariff revisions Puget Sound Energy filed on April 6, 2020, will become effective on April 13, 2020.

⁷ WAC 480-80-122.

⁸ WAC 480-80-121(3).

DATED at Lacey, Washington, and effective April 10, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner