COMMISSION

VIA UTC WEB PORTAL

Mark L. Johnson, Executive Director and Secretary Washington Utilities & Transportation Commission PO Box 47250 Olympia, WA 98504-7250

RE: PSE Optional Non-Communicating Meters, Schedule 171, Dockets UE-180860/UG-180861 (Advice No. 2018-42)

Open Meeting, January 10, 2019

Dear Mr. Johnson:

The Energy Project respectfully provides these comments for the Commission's consideration of this matter at the January 10, 2019, Open Meeting.

The Energy Project's interest in this matter is to ensure that low-income customers' effective ability to choose an "opt-out" alternative does not face undue barriers under PSE's proposed tariff rules and charges. TEP's recommendation in this docket is that the PSE opt-out tariff take the same approach as was agreed in the Avista AMI opt-out docket (Docket UE-180481/UG-180482), specifically, that the company waive the fee for low-income customers who are participating in the company's bill-assistance program. As with Avista, the waiver would be in place for a "pilot" period to allow for better evaluation of the costs and participation levels. For Avista a two-year period was set. Here the period would extend at least through December 31, 2019, the review period established in Section 4.1.a. of the tariff.

PSE's proposal in this matter differs significantly from the Avista approach, giving rise to two specific concerns. First, PSE is not proposing any express waiver or reduction of the Bi Monthly Service Charge for monthly meter reading of the alternative "non-communicating" meters. This is not consistent with the policy guidance provided by the Commission in its AMI Policy and Interpretive Statement, that utilities consider "creative solutions to further alleviate the opt-out fee impact."1

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Instead of a waiver or discount, PSE proposes to address this issued by allowing a low-income customer to use bill-assistance program funds to pay "opt-out" charges. The tariff states that the bill assistance benefit amount would be increased to offset the charges. (Section 6.2). The Energy Project does not believe this is an appropriate use of these funds. Schedule 129 bill assistance

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funds, are generated by ratepayers under the tariff rider for the purpose of helping customers meet home heating and energy needs. Reallocation of the funds to offset "opt-out" fees, while not expected to be a substantial amount in the aggregate, would effectively reduce the total amount of funding available for energy assistance.

Section 6.1 also permits customers to "continue to participate" in payment plan options or budget payment plans as a way to help manage new charges for taking the "opt-out" alternative. This does not in itself offer any mitigation of the increased financial impact, but just allows the increased impact to be spread out. The Section 6.1 and 6.2 options may be confusing for customers. Since no waiver or discount is offered, the customer may be discouraged from choosing the opt-out option, believing that it will have to be paid out of bill assistance or personal funds. It is unclear how or when customers would learn that the assistance amount would be commensurately increased. Presumably, agency bill assistance formulas would have be modified as well, creating an administrative cost.

Accordingly, The Energy Project recommends that the Commission, as a condition of approval, require the PSE opt-out program should include a fee waiver for the Bi-Monthly Service Charge for a two-year period, or at least until December 31, 2019, after which more information will be available about costs and participation levels. The Energy Project believes this approach is more consistent with the Commission's policy guidance, avoids impacting bill assistance funding, and provides for a consistent approach as between regulated utilities.

Thank you for your consideration of these concerns. The Energy Project expects to have a representative present at the Open Meeting.

Sincerely,



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