**BEFORE THE WASHINGTON STATE**

**UTILITIES AND TRANSPORTATION COMMISSION**

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| Washington Utilities and Transportation Commission,  Complainant,  v.  PUGET SOUND ENERGY, INC.,  Respondent.  . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . | )  )  )  )  )  )  )  )  )  )  )  )  ) | DOCKET U-110808  COMPLAINT |

1. The Washington Utilities and Transportation Commission (Commission), on its own motion, and through its Staff, alleges as follows:
2. **BACKGROUND**
3. On October 12, 2010, in Docket U-100182, the Commission issued a $104,300 penalty assessment against Puget Sound Energy, Inc. (PSE or the Company), for violations of Commission rules primarily related to the proper handling of prior obligation.
4. On December 28, 2010, in its Order 01 in Docket U-100182, a final order, the Commission granted a Joint Motion filed by Commission Staff (Staff) and PSE, requiring that PSE (1) pay the full amount of the $104,300 assessed penalty; (2) “promptly complete its investigations into twenty-six specific accounts more fully described in Attachment A to the Joint Motion;” and (3) continue implementation of its plan to meet all of its prior obligations, as set out in Attachment B to the Joint Motion. PSE was also required to submit its first quarterly report by April 29, 2011.
5. As of April 29, 2011, the date the quarterly report was due, Staff had not received any information regarding PSE’s completion of its investigations into the 26 accounts, in direct violation of Order 01. PSE made arrangements to submit its first quarterly report on May 3 during a regularly scheduled meeting with Commission Staff. PSE made no arrangements with Staff to extend the deadline for completing its investigations into the 26 accounts.
6. On May 3, 2011, Staff inquired of PSE when the investigations would be completed. PSE told Staff that its investigations into the accounts would be completed by May 4, 2011. PSE failed to meet that deadline. On May 6, 2011, PSE told Staff that the account investigations would be submitted by May 11, 2011. PSE also failed to meet that deadline.
7. On May 20, 2011, PSE submitted to Staff what PSE purported to be “the corrective actions taken on the twenty-six accounts” in a document entitled “PSE 26 Account Review.”
8. On May 26, 2011, Staff requested additional detail on the investigation of the 26 accounts, because the document PSE provided did not contain enough information for Staff to determine whether the resolutions described were sufficient to remedy the violations related to the accounts. PSE provided this additional detail to Staff as it was completed, between June 2 and June 8, 2011.
9. Staff reviewed the additional account information provided in response to its request, and found discrepancies with the document PSE submitted on May 20, 2011. For example, PSE made representations that customers had been contacted and offered payment arrangements on or before May 20, 2011, but the additional account information indicated that no attempt to contact those customers was made until after June 2, 2011, and that phone numbers for some of those customers were disconnected. Staff found that, for 18 of the accounts, PSE neither completed its investigation nor took action to correct the account until after it submitted its compliance report on May 20, 2011, contrary to the representations PSE made to Commission Staff, and in violation of Order 01. For three additional accounts, PSE had not taken action as of June 30, 2011, although action was necessary, in violation of Order 01. This complaint arose out of those findings.
10. **PARTIES**
11. The Commission is an agency of the State of Washington, authorized by Title 80 RCW to regulate in the public interest the rates, services, facilities, and practices of all persons engaging within this state in the business of supplying any utility service or commodity to the public for compensation, and related activities, including gas and electric companies.
12. Respondent Puget Sound Energy, Inc., is a gas and electric company subject to regulation by the Commission under Title 80 RCW.
13. **JURISDICTION**
14. The Commission has jurisdiction over the subject matter of this complaint pursuant to the provisions of RCW 80.01, RCW 80.04, RCW 80.28, WAC 480-90 and WAC 480-100. Specific provisions include but are not limited to: RCW 80.01.040, RCW 80.04.070, RCW 80.04.110, RCW 80.04.380, RCW 80.28.010, and RCW 80.28.040.

**IV. CLAIMS**

**(Failure to Comply with a Commission Order)**

1. The Commission, through its staff, realleges the allegations contained in paragraphs 2 through 11 above.
2. Pursuant to Commission Order 01 (Order 01) in Docket U-100182, issued December 28, 2010, PSE was required to “promptly complete its investigations into the twenty-six accounts more fully described in Attachment A to the Joint Motion” and submit its first quarterly report by April 29, 2011.
3. PSE failed to promptly complete its investigations into any of the 26 accounts described in Attachment A to the Joint Motion (Attachment A) and submit information to Staff. While Order 01 did not specify a date for PSE to complete its investigations into the 26 accounts, a reasonable interpretation of “promptly” is within 30 days of issuance of the order, or by January 27, 2011. PSE did not complete its investigations by January 27, 2011. Thirty days is a reasonable timeframe for prompt completion because PSE actually completed its investigations into many of the accounts within seven business days of acknowledging Staff’s May 26, 2011, request for additional documentation. Based on this interpretation of Order 01, PSE violated Order 01 113 times between January 27 and May 20, 2011, when it submitted its report of its investigations to Staff, calculated as one violation per day that PSE failed to promptly complete its investigations into the accounts.
4. Although PSE represented that its submission on May 20, 2011, was a complete investigation into 26 accounts showing action taken, PSE in fact failed to completely investigate and take action on 21 of those accounts until sometime after May 20, 2011, in further violation of Order 01. PSE further violated Order 01 as many as 402 times after May 20, 2011, if calculated as one violation per day that PSE failed to promptly complete its investigations into each of the 21 accounts after May 20, 2011, through June 30, 2011, as detailed below:

* **Customer B:** PSE failed to take action on the account until May 31, 2011, 11 days following the company’s representation that corrections were made on May 20. (11 violations)
* **Customer C:** PSE failed to take action on the account until June 1, 2011,   
  12 days following the company’s representation that corrections were made on May 20. (12 violations)
* **Customer D:** PSE failed to take action on the account until June 1, 2011,  
  12 days following the company’s representation that corrections were made on May 20. (12 violations)
* **Customer E:** PSE failed to take action on the account until June 2, 2011,  
  13 days following the company’s representation that corrections were made on May 20. (13 violations)
* **Customer G:** PSE failed to take action on the account until June 3, 2011,  
  14 days following the company’s representation that corrections were made on May 20. (14 violations)
* **Customer H:** PSE failed to take action on the account until May 27, 2011, 7 business days following the company’s representation that corrections were made on May 20. (7 violations)
* **Customer J:** PSE to take *any* action on the account as of June 30, 2011, 41 days following the company’s representation on May 20 that no correction was needed. (41 violations)
* **Customer K:**  PSE failed to take action on the account until June 3, 2011,  
  14 days following the company’s representation that corrections were made on May 20. (14 violations)
* **Customer L:** PSE failed to take *any* action on the account as of June 30, 2011, 41 days following the company’s representation on May 20 that no correction was needed. (41 violations)
* **Customer N:** PSE failed to take action on the account until June 4, 2011,  
  15 days following the company’s representation that corrections were made on May 20. (15 violations)
* **Customer O:** PSE failed to take action on the account until June 8, 2011,  
  19 days following the company’s representation that corrections were made on May 20. (19 violations)
* **Customer P:** PSE failed to take action on the account until June 4, 2011, 15 days following the company’s representation that corrections were made on May 20. (15 violations)
* **Customer Q:** PSE failed to take action on the account until June 7, 2011,  
  18 days following the company’s representation that corrections were made on May 20. (18 violations)
* **Customer R:** PSE failed to take action on the account until June 7, 2011, 18 days following the company’s representation that corrections were made on May 20. (18 violations)
* **Customer S:** PSE failed to take action on the account until June 7, 2011,   
  18 days following the company’s representation that corrections were made on May 20. (18 violations)
* **Customer T:** PSE failed to take action on the account until June 7, 2011,  
  18 days following the company’s representation that corrections were made on May 20. (18 violations)
* **Customer V:**  PSE failed to take action on the account until June 7, 2011,  
  18 days following the company’s representation that corrections were made on May 20. (18 violations)
* **Customer W:**  PSE failed to take action on the account until June 8, 2011,  
  19 days following the company’s representation that corrections were made on May 20. (19 violations)
* **Customer X:**  PSE failed to take action on the account until June 8, 2011, 19 days following the company’s representation that corrections were made on May 20. (19 violations)
* **Customer Y:** PSE failed to take action on the account until June 8, 2011,  
  19 days following the company’s representation that corrections were made on May 20. (19 violations)
* **Customer Z:** PSE failed to take *any* action on the account as of June 30, 2011, 41 days following the company’s representation on May 20 that no correction was needed. (41 violations)

1. As detailed above, PSE had failed to correct three accounts as of June 30, 2011 (Customer J, Customer L, and Customer Z).
2. In total, as detailed above, PSE has committed as many as 515 violations of Commission Order 01 in Docket U-100182 by failing to promptly complete its investigations into the 21 accounts detailed in Attachment A.
3. **APPLICABLE LAW**
4. Under RCW 80.04.380, the Commission may penalize a public service company that violates any order, rule, or any direction, demand or requirement of the Commission up to $1,000 for each and every offense. Under the statute, every violation is considered a separate and distinct offense, and, in the case of a continuing violation, every day’s continued violation is deemed to be a separate and distinct offense.

**VI. REQUEST FOR RELIEF**

1. Staff requests that the Commission find that PSE committed as many as 515 violations of Order 01 in Docket U-100182.
2. Staff requests that the Commission impose appropriate monetary penalties on PSE, under RCW 80.04.380 for PSE’s violations of Order 01.
3. Staff requests that the Commission order PSE to take action on the three accounts that were not corrected as of June 30, 2011, and submit data detailing the actual credit and debit events that occurred for the three accounts so that the Commission can verify that the necessary corrections to the accounts were made.

**VII. PROBABLE CAUSE**

1. Based on a review of Staff’s investigation report and all supporting documents, and consistent with RCW 80.01.060 and WAC 480-07-307, the Commission finds probable cause exists to issue this complaint.

DATED at Olympia, Washington, and effective October 26, 2011.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

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GREGORY J. KOPTA

Administrative Law Judge

Director, Administrative Law Division