

# Always Cooling or Heating

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STATE OF WASH.  
UTIL. & TRANSP.  
COMMISSION

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RECEIVED

Steve McLellan  
Secretary  
Washington Utilities & Transportation Commission  
1300 S. Evergreen Park Drive S.W.  
Olympia, Wa. 98504-9022

Dear Mr. McLellan;

Regarding the Final Policy hearings for Washington Natural Gas and that utility's practices regarding customer services; I wish to submit the following information into consideration in those hearings and /or deliberations.

My company performs HVAC services in the North Seattle area and thus is directly affected by the gas company's activity in this area.

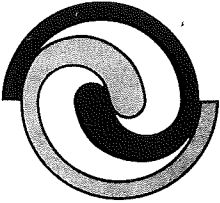
It is my understanding that the commission initially wanted the gas company to get out of the furnace service business entirely, but that the commissioners have begun to backpedal on that and are now considering some "level of activity" that they would find acceptable.

I sincerely hope that the rumors to that effect are wrong, for it would be a serious disservice to the ratepayers to continue to allow the anticompetitive and monopolistic practices of Washington Energy to continue with the assistance of the Utilities and Transportation Commission.

Apparently, there is currently a policy being considered whereby the gas company would be allowed to perform initial diagnosis of a furnace problem and up to 15 minutes work for free, at which time the service man is supposed to step back from the furnace, miraculously transform himself from a gas company employee into an employee of Washington Energy, and inform the customer that that customer can now decide whether to have the problem fixed by the man who is there, but pay for it, or call someone else. It is a joke to pretend that this "transformation" preserves any semblance of free competition, and that any customer will choose to call in a second party to perform repairs when someone is standing right there offering to do the repair.

The UTC has a duty to ratepayers to follow basic economic logic: the best way to keep costs down for ratepayers is to encourage competition in industries where there is no overriding justification for granting a monopoly. The gas company service man needs to verify that safety exists on a service call, and that is all. He should be

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allowed inside the home for only two purposes: 1. To check for the presence of natural gas. 2. To check for the presence of carbon monoxide. If either of these problems exists, he has the ability to shut down the customer's appliance which is causing the problem, and tell the customer to call an outside service agency. The monitoring of either of these dangerous conditions can be performed without the service man carrying any appliance parts, and without troubleshooting appliances. He need only carry a few gas detection monitors.

The argument that, as long as the gas company service man is there, he could effectively perform repairs, is an argument presented by Washington Energy in the interests of keeping competition out of an industry which they seem to covet. It serves their interests to prevent healthy competitors from developing in this area. And since the service business is the most stable, recession proof part of the HVAC industry, all competition in this industry is destabilized.

As long as the customer THINKS he is dealing with Washington Natural Gas, he perceives that he is receiving repair service from an organization to which the State has given a regulated monopoly. Many customers assume the state has granted that regulated monopoly for the gas appliance service. Even if they realize that a monopoly is not granted, they probably assume that it will be less expensive or more competent service than that of an outside contractor. Thus many customers are being deceived, and don't know that through accounting manipulations, they are really dealing with Washington Energy. If the Utilities and Transportation Commission wants to perpetuate this deception, it needs a good reason to do so! The benefit to Washington Energy is not justification to continue this practice.

I would like to receive a copy of the commission's final policy regarding WNG's customer service.

Sincerely,

Robert F. Purvis

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