

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY

Respondent.

Docket UE-220066 and
Docket UG-220067 (*consolidated*)

PUBLIC COUNSEL UNIT
RESPONSE TO PUGET SOUND
ENERGY PETITION TO AMEND
FINAL ORDER

1. The Public Counsel Unit of the Washington State Attorney General’s Office (Public Counsel) responds to Puget Sound Energy’s (PSE or the Company) Petition to Amend Final Order.¹ Public Counsel opposes PSE’s Petition and request that the Utilities and Transportation Commission (Commission) deny the Petition.
2. PSE requests that the Commission amend its Final Order 24, which approved among other things certain terms related to low-income customer programs.² One of the provisions required PSE to continue its existing credit and collection processes until the conclusion of the rulemaking in Docket U-210800.³ Once Governor Inslee’s Proclamation prohibiting utility disconnections expired in September 2021,⁴ PSE began transitioning to its pre-pandemic credit

¹ Puget Sound Energy Petition to Amend Final Order (filed Aug. 10, 2023).

² Puget Sound Energy Petition, ¶ 18.

³ Final Order 24, ¶ 265 (Dec. 22, 2022) (citing Revenue Requirement Settlement, ¶ 40 (App. A to Final Order 24)).

⁴ Proclamation by Governor Jay Inslee, No. 20-23.02 – Ratepayer Assistance and Preservation of Essential Services (Wash. Apr. 17, 2020), <https://governor.wa.gov/sites/default/files/proclamations/20-23.2%20-%20COVID-19%20Ratepayer%20Assistance.pdf>; *see* Proclamation by Governor Jay Inslee, No. 20-23.16 – Ratepayer Assistance and the Preservation of Essential Services (Wash. July 2, 2021), https://governor.wa.gov/sites/default/files/proclamations/proc_20-23.16.pdf.

and collection processes.⁵ To resolve its rate case, PSE agreed to halt further transition until the Commission provided guidance in Docket U-210800.⁶ While Public Counsel was not a signatory to the settlement containing the low-income customer program terms, Public Counsel supported these terms.⁷

3. PSE claims that Final Order 24 should be modified due to changed conditions and unforeseen and unintended consequences, citing arrearage balances.⁸ PSE characterizes scheduling and workload conflicts of UTC Staff as “unforeseen,” and attributes this characteristic to all signatory parties to the Settlement.⁹ PSE also claims that comments filed by Public Counsel, The Energy Project, Front and Centered, NW Energy Coalition, and Sierra Club (collectively, the Joint Advocates) expanded the scope of the Docket U-210800 inquiry.¹⁰ All of PSE’s claims are without merit.

4. PSE expresses surprise that a rulemaking is proceeding on an uncertain schedule.¹¹ The uncertainty regarding when Docket U-210800 would conclude existed when parties entered into the settlement agreements the Commission ultimately approved to resolve the rate case. Rulemakings are rarely quick, generally have no required end date, and often take a lower priority to litigation matters. Docket U-210800 is no exception. While parties may have had hopes regarding the duration of Docket U-210800, no party had any certainty or true

⁵ Puget Sound Energy Petition, ¶ 10.

⁶ Revenue Requirement Settlement, ¶ 40 (App. A to Final Order 24).

⁷ Response Testimony of Shay Bauman, Exh. SB-9T at 5:21–6:19 and 17:16–18:2 (filed Sept. 9, 2022).

⁸ Puget Sound Energy Petition, ¶¶ 4 and 9.

⁹ Puget Sound Energy Petition, ¶ 8.

¹⁰ Puget Sound Energy Petition, ¶ 6.

¹¹ See, Puget Sound Energy Petition, ¶ 8.

expectations about how quickly the rulemaking would conclude. PSE correctly notes, “There is no statutory deadline for a rulemaking proceeding, and it is not clear when Docket U-210800 and PSE’s related dunning restrictions will conclude.”¹²

5. Additionally, it is well established that the Commission has been extremely busy with CETA implementation, major adjudications, and substantial staff turnover. The purpose behind the term requiring PSE to continue its existing credit and collection processes until the conclusion of the rulemaking in Docket U-210800 was to allow customers to experience fewer changes and disruptions until the Commission provides its policy guidance to utilities on their credit and collection practices.
6. With respect to PSE’s claim that advocate comments broadened the scope of Docket U-210800, Joint Advocates’ comments regarding credit and collection practices have been consistent throughout Dockets U-210800 and U-200281 (the 2020 COVID-19 policy dockets). Indeed, in Docket U-200281, Joint Advocates recommended that the Commission open a rulemaking on credit and collection practices, including evaluating whether disconnection practices should continue. The scope of Docket U-210800 should not have been a surprise to interested parties.
7. PSE characterizes disconnections as a practice of last resort, but it remains unclear to Public Counsel what the Company does short of disconnections to assist customers with their arrearages. It appears that PSE’s entire outreach strategy is to begin the disconnection process.¹³

¹² Puget Sound Energy Petition, ¶ 8.

¹³ Puget Sound Energy Petition, ¶ 10.

Indeed, PSE has not approached either parties or the Commission about alternatives other than disconnection. Public Counsel continues to believe that PSE could conduct outreach to its customers without the threat of disconnection.

8. PSE states in its Petition that the rate impact of its current arrearages would be 4.8 percent.¹⁴ The rate impact is approximately one percentage point less if only residential customers are included.¹⁵ However, PSE has a new bill discount rate, and it would be beneficial for customers to understand the impact this new program will have on new arrearages before making substantial changes in PSE's practices.
9. The Commission should not modify its Final Order 24 because the low-income customer program terms, including the requirement that PSE continue its existing credit and collection processes until the conclusion of the rulemaking in Docket U-210800, continue to be in the public interest. Under WAC 480-07-875, the Commission may amend an order if there are changed conditions, harm, unintended consequences, or good cause.¹⁶ PSE does not establish that any of these factors exist, much less on a scale that warrants amending Final Order 24.
10. In the alternative, while Public Counsel believes PSE could conduct outreach to its customers under the Final Order 24, the Commission could modify the order to make this explicit. Specifically, the Commission could modify the order to allow PSE to conduct outreach and customer communications to help customers obtain assistance. Until the conclusion of

¹⁴ Puget Sound Energy Petition, Exh. B at 11.

¹⁵ *Id.*

¹⁶ WAC 480-07-875(1) (referring to WAC 480-07-870).

Docket U-210800, the threshold for PSE to begin disconnection practices should remain at \$1,000 and no known low-income customer should be subject to disconnection. The Commission could include a condition that if PSE believes there is good cause to disconnect a customer for nonpayment, it may present a request to the UTC for approval. Regardless of whether the Commission chooses to amend Final Order 24 to allow these actions, it should *not* allow PSE to revert back to pre-pandemic credit and collection processes before the conclusion of the rulemaking in Docket U-210800.

Dated this 30th day of August, 2023.

ROBERT W. FERGUSON
Attorney General

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