

## ALTERNATIVE 1 – NATURAL GAS UTILITIES

### WAC 480-90-193 Customer notice requirements.

This rule sets out requirements for utilities to provide notice to their customers in certain circumstances. Notice is required to inform customers of a potential increase in rates or change in service, but it is also used to obtain input from the affected public, to assist the commission in its investigation to determine if a company-filed tariff revision is in the public interest.

This rule contains the criteria for five different types of customer notice.

- (1) Customer notice before commission action;
- (2) Suspension to allow notice to customers;
- (3) Purchase Gas Adjustment;
- (4) Customer notice after final commission disposition; and
- (5) Formal hearing notice.

Companies are encouraged to continue to work with commission staff on an informal basis to achieve the best type of customer notice possible so that in most cases the company must only notify its customers once. The commission may order additional or different notice be provided to customers, depending on the particular case.

This rule does not contain the notice requirements for utilities that file an application to merge or consolidate any franchises, property, or facilities with any other company (see WAC 480-143-210).

A utility may request a waiver of this rule in accordance with WAC 480-90-008.

#### (1) **Customer notice before commission action.**

(a) When a utility proposes to increase its rates or restrict access to a service (e.g., discontinue a service, or limit access to service by imposing a new usage level on existing services), it must notify customers that are directly affected by the filing ~~customers~~ before the requested effective date.

(b) Content of notice. Notices under this section must clearly describe what the company has requested, show the current and proposed rates, and why the request is necessary. Notices must describe how customers may contact the utility if they want additional information and how they can participate in the commission's decision-making process by listing the commission's mailing address, toll-free phone number and e-mail address.

(c) Methods of notice permitted include: bill insert, bill message, printing on the billing envelope, a separate mailing or, if the utility has the capability and the customer has authorized, by e-mail. If the utility is including notice in the bill package, the notice must be included in the bill package beginning with the next bill cycle after submitting the filing at the commission.

(2) **Suspension to allow notice to customers.** When the commission believes it does not have sufficient information from customers to determine whether a tariff filing is fair, just, reasonable and sufficient, the commission will may suspend the filing to permit appropriate customer notice and opportunity for comment. ~~If the utility has provided prior notice in the manner required by this rule, the commission will not suspend the filing solely because of a lack of information from customers. If the utility has provided~~

~~notice that meets the criteria set out below it need not provide additional notice under this section:~~

~~(a) Amount of prior notice. A utility must provide at least thirty days' notice to each affected customer.~~

~~(b) Content of notice for increase in rates. Each customer notice must include, at a minimum;~~

~~(i) The date the notice is issued;~~

~~(ii) The company's name and address;~~

~~(iii) A brief explanation of the reason(s) the utility has requested the rate change (e.g., increase in labor costs, recovery of new plant investment, and increased office expenses, such as, postage and customer billing);~~

~~(iv) A comparison of current and proposed rates by service;~~

~~(v) An example showing the monthly increase of the average customer's bill based on the proposed rates (e.g., "Based on the proposed rates, a typical gas customer using an average of eighty therms per month would see an average monthly increase of \$2.74.");~~

~~(vi) When the rates will be billed (i.e., monthly or bi-monthly);~~

~~(vii) The requested effective date and, if different, the implementation date;~~

~~(viii) A statement that the commission has the authority to set final rates that vary from the utility's request, which may be either higher or lower depending on the results of the investigation;~~

~~(ix) A description of how customers may contact the utility if they have specific questions or need additional information about the proposal; and~~

~~(x) Public involvement language. A utility may choose from (A) commission-suggested language, or (B) utility-developed language.~~

~~(A) Commission-suggested language:~~

~~If you would like to comment on this proposal, it is important for you to do so now. Comments must be submitted in writing or presented in person at the commission's open public meeting. If you have questions or you would like to be added to the mailing list for this case, you may contact the Washington Utilities and Transportation Commission at P.O. Box 47250, Olympia, WA 98504-7250; 1-800-562-6150; [comments@wutc.wa.gov](mailto:comments@wutc.wa.gov); or 360-664-3604(fax); or~~

~~(B) Utility-developed language must include the commission's mailing address and toll-free number (1-800-562-6150), and a brief explanation:~~

~~(I) How to participate in the commission's process by mailing or faxing a letter, or submitting an e-mail [<comments@wutc.wa.gov>](mailto:comments@wutc.wa.gov); and~~

~~(II) How to contact the commission for process questions or to be notified of the scheduled open meeting at which the proposal will be considered by the commission.~~

~~(c) Methods of notice permitted include: bill insert, bill message, printing on the billing envelope, or a separate mailing to all affected customers or, if the utility has the capability and the customer has authorized, by e-mail.~~

**(3) Purchase Gas Cost Adjustment (PGA).** Notice of a purchase gas cost adjustment (PGA) is required before and after final commission disposition. Notice

before commission disposition is to educate customers of a potential increase in natural gas prices.

(a) Prior PGA Notice. The notice should clearly define what a PGA is and explain how it works; the range of the estimated percentage of impact to customers and a utility contact phone number for additional information.

(b) Method permitted: a newsletter, bill insert, bill message, printing on the billing envelope, or separate mailing to customers or, if the utility has the capability and the customer has authorized, by e-mail.

(c) Notice after final commission disposition [see section (4) Customer notice after final commission disposition for content and method permitted].

(4) **Customer notice after final commission disposition**. The purpose of this notice is to inform customers of changes to rates that will appear on customer bills. This section applies to items from the commission's open public meeting agenda, including the "no action" agenda.

(a) Notice must be provided to each affected customer at the time the charges are applied to the bill, when a utility increases rates for:

(i) Any charge a customer may incur without being quoted a rate or price by the utility (e.g., late payment fees, NSF fees, a one-time charge);

(ii) Local taxes;

(iii) Conservation program charges; and

(iv) Purchase gas cost adjustment (for increase and decrease in rates).

(b) Content of notice. At a minimum, notice after final commission disposition must include the effective date, a clear description of changes to rates or services and a utility contact number where customers may seek additional information.

(c) Methods of notice. Methods of notice permitted include: bill insert, bill message, printing on the billing envelope, a separate mailing to all affected customers or, if the utility has the capability and the customer has authorized, by e-mail.

(5) **Formal hearing notice**. For formal cases where there is a hearing to take testimony from the public, the utility will be required to provide customer notice. ~~A utility must. The formal hearing notice must accompany, as a separate document, regular bills distributed by the utility to its customers, starting with the first billing cycle reasonably available following issuance of the commission's order instituting investigation and continuing throughout the utility's billing cycle covering customers of the utility as of the date of the commission's order instituting investigation. Alternatively, the utility may make a separate distribution of the statement within 30 days following the date of the issuance of the order institution investigation. provide notice to each affected customer at least thirty days before the scheduled hearing. The timing and location of the hearing(s) will be addressed in the pre-hearing conference order.~~

(a) Content of notice: All information contained in section (2)(b) must be included in the customer notice with the exceptions of section (2)(b)(x). In addition, the following language must be included:

(i) If applicable, a statement that the Attorney General's Public Counsel Division will represent residential and small business customers. This should include Public Counsel's phone number (206-464-6907) and website address ([www.wa.gov/ago/utility](http://www.wa.gov/ago/utility)).

(ii) Public involvement language. A company may choose from (A)

commission-suggested language, or (B) company-developed language.

(A) Commission-suggested language:

If you would like to comment on this proposal, it is important for you to do so now. All written comments will be formally included in the hearing process as an exhibit in the case. Public hearing(s) have been scheduled to take public testimony on (date), (time), and (location). If you have questions or you would like to be added to the mailing list for this case, you may contact the Washington Utilities and Transportation Commission at P.O. Box 47250, Olympia, WA 98504-7250; 1-800-562-6150; [comments@wutc.wa.gov](mailto:comments@wutc.wa.gov); or 360-664-3604(fax). If you would like to comment on this proposal, it is important for you to do so now. or

(B) Company-developed language must include the commission's mailing address and toll-free number (1-800-562-6150), and a brief explanation:

(I) How to participate in the commission's process by mailing or faxing a letter, or submitting an e-mail ([comments@wutc.wa.gov](mailto:comments@wutc.wa.gov));

(II) How to contact the commission for process questions; and

(III) The date, time and location of the public hearing.

(b) Methods of notice. Methods of notice permitted include: bill insert, bill message, printing on the billing envelope, a separate mailing to all affected customers or, if the utility has the capability and the customer has authorized, by e-mail.

(c) Who must receive notice. In addition to each affected customer a utility must notify at least one newspaper of general circulation, and at least one radio station and at least one television station in the area or each of the areas affected.

(6) **Customer notice verification:** Within ten days of issuing notices described in this rule, a utility must file the following information at the commission: a declaration to the commission's designated public affairs officer that notice has been given to customers, which must include:

- (a) The method used to notice customers;
- (b) When the notice was first issued to customers;
- (c) How many customers are affected; and
- (d) A copy of the notice.

~~(7) **Commission assistance on customer notice.** A company may request the commission's designated public affairs officer to:~~

- ~~-(a) Assist with customer notice questions;~~
- ~~-(b) Review draft customer notice language; and~~
- ~~-(c) Offer suggestions on draft customer notice language.~~

~~If a company would like assistance, it should submit a draft notice for review at least two working days before the planned printing date.~~

(8) **Other customer notice.** The commission may require notice to customers other than described in this rule when the commission determines that additional customer education is needed.