

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-220066 & UG-220067
Puget Sound Energy
2022 General Rate Case**

BENCH REQUEST NO. 5:

Carol Wallace testifies that “[a]s of October 31, 2023, PSE has 262,518 customers who are past due on their energy bills, totaling \$140,410,727 in arrears.” Wallace, Exh. CLW-13T at 4:16-17. See *also* Wallace, Exh. CLW-14.

- a. Please confirm whether PSE’s arrearage balance, as noted above, includes arrearages less than 30 days overdue.
- b. If PSE does include arrearages less than 30 days overdue, as noted above:
 - i. Please explain why PSE includes amounts less than 30 days overdue in its calculated arrearage balance.
 - ii. Please explain why the Commission should rely on the calculated total provided by Wallace as evidence of PSE’s total arrearage balance when other investor-owned utilities in Washington state do not appear to include amounts less than 30 days overdue in their calculated arrearage balances in their submissions in Commission Docket U-210800.
- c. Please complete the tables below related to arrearage data. In providing the Company’s response to this subpart, please complete the attached Excel spreadsheet leaving any formulas and/or calculations used in the spreadsheet. Details for the requested data can be found on the blue shaded cells. The green shaded cells should be returned with PSE’s response.

Please provide customer counts as of Dec. 31, 2021 for each of the classes below broken down by each vintage of 0-30, 31-60, 61-90, and 91+ days.					
Customer Accounts with Arrearages (As of Dec. 31, 2021)					
	0-30 days	31-60 days	61-90 days	91+ days	Total (Counts)
All Active Residential					
All Closed Residential					
All Active Known-Low Income					
All Active Estimated Low Income					
All Active Named Community					

Please provide arrearage amounts as of Dec. 31, 2021 for each of the classes below broken down by each vintage of 0-30, 31-60, 61-90, and 91+ days.					
Arrearage Amounts (As of Dec. 31, 2021)					
	0-30 days	31-60 days	61-90 days	91+ days	Total (Dollars)
All Active Residential					
All Closed Residential					
All Active Known-Low Income					
All Active Estimated Low Income					
All Active Named Community					

Response:

- a. That is correct: the figure cited for total past due balances as of October 31, 2023 includes arrearages that are 1-30 days past due, as well as 30+ days past due.
- b.
 - i. Puget Sound Energy (“PSE”) included amounts that are past due 1-30 days in its calculation because those amounts are, by definition, past due.
 - ii. The category of customers who are 1-30 days past due is relevant to PSE’s dunning process because the dunning process logic for customers starts one day after the customer’s bill due date, if the bill is unpaid. Therefore, including past due counts and amounts in the 1-30 days bucket has a direct bearing on the expected number of customers who may go into dunning based on their past due amount and other characteristics.
- c. Please find below a table with the information requested in Bench Request No. 5(c). Please note three important caveats to this data. First, PSE does not consider customers who are “0” days past due as “past due,” so PSE has modified the column below to reflect the category tracked, “1-30 days.” That is, if a customer pays their bill on the due date, they are not considered past due and no past due amount is tracked in PSE’s data system. If a customer has an outstanding amount one day after the bill due date, that value would be reflected in the 1-30 days category.

Second, the Total (Counts) column below is *not* equal to the sum of the 1-30, 31-60, 61-90, and 91+ day count columns. This is because a single contract account can have balances that are past due in multiple time buckets. For example, a single customer may have a certain amount past due in the 1-30 days bucket,

and another amount past due in the 91+ day bucket. The first four columns show the number of customers who have a past due balance in the specified bucket, whereas, the Total (Counts) column shows the number of customers with the specific row attribute that are past due 1+ day. In contrast, the Total (Dollars) column does equal the sum of the different buckets because a given past due amount can only fall into one of the buckets.

Third, “Named Communities” does not refer to a specific group of customers, by virtue of the way “Named Communities” is defined. PSE delineates Named Communities by referring to customers who are either in Highly Impacted Communities or not, and by referring to customers who have a High, Medium, or Low level of Vulnerable Population status. As a result, PSE has reported counts and dollar amounts for customers who are in Highly Impacted Communities, as well as customers who are in a High Vulnerable Population.

Table 1

Please provide customer counts as of Dec. 31, 2021 for each of the classes below broken down by each vintage of 1-30, 31-60, 61-90, and 91+ days.					
Customer Accounts with Arrearages (As of Dec. 31, 2021)					
	1-30 days	31-60 days	61-90 days	91+ days	Total (Counts)
All Active Residential	159,332	63,072	47,075	40,047	163,144
All Closed Residential	9,653	6,502	5,295	9,728	18,763
All Active Known-Low Income	2,533	425	257	102	2,620
All Active Estimated Low Income	65,275	23,906	17,685	15,061	66,935
All Active Named Community					
All Active Highly Impacted Community	49,682	19,807	15,778	13,633	50,963
All Active High Vulnerable Population	70,318	28,399	21,821	18,644	71,618

Please provide arrearage amounts as of Dec. 31, 2021 for each of the classes below broken down by each vintage of 1-30, 31-60, 61-90, and 91+ days.

Arrearage Amounts (As of Dec. 31, 2021)					
	1-30 days	31-60 days	61-90 days	91+ days	Total (Dollars)
All Active Residential	\$21,765,857	\$6,287,933	\$3,644,512	\$27,443,460	\$59,141,762
All Closed Residential	\$893,714	\$463,430	\$340,377	\$4,232,045	\$5,929,566
All Active Known-Low Income	\$341,821	\$46,445	\$25,807	\$126,465	\$540,538
All Active Estimated Low Income	\$8,623,033	\$2,377,450	\$1,359,979	\$10,489,470	\$22,849,932
All Active Named Community					
All Active Highly Impacted Community	\$6,731,838	\$1,967,339	\$1,250,799	\$10,054,067	\$20,004,043
All Active High Vulnerable Population	\$8,820,672	\$2,649,607	\$1,651,992	\$12,793,926	\$25,916,197