

the Energy Project

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a project of:



Community Action

A Community Action Agency
serving Whatcom, Island and
San Juan Counties since 1965

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Mr. Steven King
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Re: Docket U-131087 – Inquiry to Consider Whether Changes to WACs 480-100-126(6)(k) and 480-90-128(6)(k) Are Warranted

Dear Mr. King,

Thank you for the opportunity to file the following comments regarding the field collection of bill payment at the time of disconnection. As the Commission is aware, the Energy Project is very concerned about changes that will make maintaining access to vital energy utility services more difficult and/or more expensive for low-income customers. We strongly believe that allowing utilities to refuse payment of the bill at the point of disconnection is exactly such a change. If utilities are not required to accept payment at this point, disconnections will skyrocket and customers will have to divert more of their limited funds to penalties or charges that do not actually pay for the much needed therms or kWh of service. Furthermore, the data and comments submitted by the utilities in response to your Industry Data Request of July 1, 2013 only serve to illustrate this.

The Energy Project does not mean in any way to minimize the concerns that IBEW or others have voiced about subjecting their workers to potentially violent situations. We also recognize the great service that occurs when a utility worker discovers a potentially dangerous situation and files a report that results in saving a customer's life or otherwise improving their situation. Nevertheless, we believe that *the violence in these situations stems from the occurrence of the disconnection, not from the opportunity to pay the bill or to pay the bill with cash.* Furthermore, not accepting payment at this point is more likely to escalate the potential for a violent result during what is already a stressful situation for people who are already quite strained, financially and otherwise.

The submitted utility data indicates that for three of the utilities field collection to stop disconnection occurs roughly 58% to over 90% of the time. We assert that this results from the fact that, for many of these customers, money is in such short supply that a bill gets paid when it is the next bill that absolutely has to be paid and

the fact that utilities use the threat of disconnection as the only way to address non-payment. There can be a variety of reasons for customers not to pay a bill. If utilities use tools that better address these reasons, we believe they will get more satisfactory results.

It is important that cash be an option for customers to pay at this time. As is evident from NW Natural's comments, five of the six "fee-free ways" customers can pay their bills involve having a bank account or some form of credit. This is not a viable option for low-income customers. As the data from Cascade Natural Gas indicates, when you remove the cash option for payment, a far greater share of the visits result in disconnection. The PacifiCorp and Avista data further underscore the importance of the cash option by showing the high proportion cash compromises of the payments received.

To generalize that all of these customers are taking advantage or abusing the system minimizes or ignores the stressful conditions many, probably most, of these households are coping with. It is not practical or effective to change the rule such that so many are further disadvantaged in order to thwart the abuse of those who can, but don't, pay. Similarly, the data does not support the argument that acceptance of payment or even of cash payment, is a substantial source of endangerment. Rather than deprive so many customers of a final, albeit desperate, opportunity to pay, it would be better to equip the vehicles with secure means to carry the payments. Finally, if all the utilities feel as NW Natural does (i.e., "the Company's current practice of accepting field payments is driven *predominantly* out of compliance with WAC 480-90-128(6)(k)." – emphasis added), it is essential that the WACs continue to require acceptance of field payments, and cash should be an option.

Respectfully,

A handwritten signature in black ink, appearing to read "Charles M. Eberdt", written in a cursive style.

Charles M. Eberdt
Director