

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

Complainants Alexander and Elena Argunov,
Thomas and Heidi Johnson, Chad and Victoria Groesbeck

v.

PUGET SOUND ENERGY

Respondent

DOCKET UE-220701

**TESTIMONY OF ELENA ARGUNOV
ON BEHALF OF THE
COYOTE CREEK HOMEOWNERS (PSE CUSTOMERS)**

EXHIBIT EACCH-1

01/10/2023

Shaded Information is Designated Confidential Per Protective Order in Docket UE-220701

DIRECT TESTIMONY OF ELENA ARGUNOV (COMPLAINANT)

**DOCKET UE-220701
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| Exh. EACCH-7 | AMI overview (U.S. Department of Energy) |
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WITNESS'S EXHIBITS LIST

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| Exh. EACCH-12C | 11.14.21 Billing (Commercial rate-sample) + demand charges example |
| Exh. EACCH-13C | Meter Configuration X155953447 |
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| Exh. EACCH-19C | Account # 220024547758 - wrong billing |
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| Exh. EACCH-22 | Public Records - details and analysis |
| Exh. EACCH-23C | Account #220028367005 – Johnson (Constriction Phase, notes, and Statement copies) |
| Exh. EACCH-24C | Account Review Analytics - Meter Reads vs MDMs, vs Intervals, vs Billing |
| Exh. EACCH-25C | Account Review Analytics - Meter Reads, vs Intervals, vs Billing |
| Exh. EACCH-26C | Account Review Analytics – Max Value (Demand) Meter Reads vs Intervals |
| | |
| | |

1

I. INTRODUCTION

2

Q. PLEASE STATE YOUR NAME.

3

A. Elena Argunov (Complainant)

4

Q. ON WHOSE BEHALF ARE YOU TESTIFYING?

5

A. I am testifying on behalf of the Coyote Creek Homeowners - Thomas and Heidi

6

Johnson, and Chad and Victoria Groesbeck (Complainants).

7

Q. PLEASE DESCRIBE YOUR PROFESSIONAL QUALIFICATIONS.

8

9

A. I, Elena Argunov, am a Senior Financial Data Analyst at Providence Saint Joseph

10

Healthcare. (See Amendment to Introduction) – (C)

11

Areas of expertise and responsibilities:

12

- Data Management

13

- Business Intelligence (Financial Reporting and Analysis)

14

- Internal controls

15

- Project Management

16

- Software Implementation and QA

17

- GAAP

18

II. FACTS

19

Q. PLEASE PROVIDE EXHIBITS NUMBERS YOU ARE PRESENTING IN

20

THIS PROCEEDING, SUMMARY OF ISSUES, AND EXPLAIN HOW THIS

21

CONTRUDICTS WITH PSE RESPONSES WHEN APPLICABLE?

22

I present supporting documentation serving as a baseline of the formal complaint

23

against Puget Sound energy. The exhibits are provided for the following sections:

1 1. Overview of Advanced Metering Infrastructure. See Exhibit EACCH-7. Per
2 PSE response to formal complaint dated 10/24/2022, “*1. Answering paragraph*
3 *1 of the Complaint, PSE denies the allegations in paragraph 1 of the*
4 *Complaint. PSE provided information to the Commission and its customers*
5 *about the switch to AMI meters consistent with the purpose and usage of AMI*
6 *meters. **While AMI meters have the capability to transmit readings in 15-***
7 *minute intervals, this functionality is not used for the calculation of total*
8 *monthly usage when billing customers. To determine the usage of a*
9 *particular customer, a meter read is obtained at the end of each monthly*
10 *billing period by subtracting the beginning read at the beginning of the*
11 *month from the end read at the end of the month. The customer is then billed*
12 *based on the total kWh and charged the kWh rate.”*

13 PSE statement contradicted the main requirements and processes described in
14 official document from the U.S. Department of Energy “Advanced Metering
15 Infrastructure and Customer Systems”. Where it states “*Advanced Meters:*
16 *Meters that measure and record usage data at hourly intervals or more*
17 *frequently and provide usage data to both consumers and energy companies at*
18 *least once daily. Data are used for billing and other purposes. Advanced*
19 *meters include basic hourly interval meters, meters with one-way*
20 *communication, and real-time meters with built-in two-way communication*
21 *capable of recording and transmitting instantaneous data.”* Also, “*The core*
22 *element of AMI is smart meters, which provide a number of functions,*

1 *including measuring customer electricity consumption on 5-, 15-, 30-, or 60-*
2 *minute intervals; measuring voltage levels; and monitoring the on/off status of*
3 *electric service. Smart meters communicate these readings to utilities for*
4 *processing, analysis, and communication back to customers for billing, energy*
5 *feedback, and time-based rates.” See exhibit EACCH-7, page #12. Also, the*
6 *document clearly stated the process as follows “AMI deployment typically*
7 *consists of three key components: → Smart meters installed at the customer’s*
8 *premise that typically collect electricity consumption data in 5-, 15-, 30-, or*
9 *60-minute intervals. → New or upgraded communications networks to*
10 *transmit the large volume of interval load data from the meter to the utility*
11 *back offices. → A meter data management system (MDMS) to store and*
12 *process the interval load data, and to integrate meter data with one or more*
13 *key information and control systems, including head-end systems, billing*
14 *systems, customer information systems (CIS), geographic information systems*
15 *(GIS), outage management systems (OMS), and distribution management*
16 *systems (DMS).” See Exhibit EACCH-7. Although, PSE claims that their*
17 *customers were aware of the upcoming “upgrade”, we were not provided any*
18 *explanation, the communication from PSE did not explain the purpose and*
19 *impact to their customers. Their letter did not contain detailed information*
20 *about AMI meter and/or billing. In fact, the words “smart meter” or AMI*
21 *system were not even mentioned. See exhibit EACCH-21C.*

1 **CONCLUSION:** All AMI meters are built to read data in 5,15,30, or 60 min
2 intervals. PSE must follow the system requirements of data processing and
3 calculations; this is a requirement for any energy company utilizing AMI
4 system. Clearly, PSE chooses not to obey the rules, causing billing for
5 consumption to be 4 times greater than it should be.

6 2. Overview of technical specs from two largest Enterprise Resource Planning
7 software companies – Oracle and SAP, including detailed review of
8 measurement components (Meter Reads and Interval Data) and their role in
9 contract billing. I decided to provide information about both systems to show
10 the consistency in their methods. Even though, SAP and Oracle are different
11 systems, both have similar process and requirements when it comes to interval
12 data processing and billing. Both describe interval data processing and billing
13 as a separate module from regular billing. In both cases, calculations are
14 similar:

- 15 • “Raw data” (also known as “initial data”) extract.
- 16 • Validation, estimation, editing.
- 17 • Quantity determination (also known as “Service quantity”) for billing.

18 According to PSE response dated 10/24/2022 “Answering paragraph 2 of the
19 Complaint, PSE denies the allegations in paragraph 2 of the Complaint. AMI
20 interval data readings are not incorporated into billing readings.” As previously
21 discussed, the system rules either SAP or Oracle applicable to all companies

1 utilizing their Utility modules, and it is unclear why PSE believes those rules
2 do not apply to them. See exhibits EACCH-2.1, EACCH-2.2, EACCH-2.4

- 3 3. Detailed review of the UOM (unit of measure) vs Measurement, data
4 collections categories (discrete data vs continuous), including meters
5 configuration.

6 There were several occasions when PSE claimed that their meters register
7 KWH and readings are not coming in intervals, however, their statement
8 contradicts the meter configuration paperwork obtained from PSE following
9 data request as well as pictures of the meter. Both items confirm that the meter
10 registers KW, as it measures every 15 minutes. PSE also claims that intervals
11 used only for demand charges. However, based on MDMS reading data, PSE is
12 still using meter reads instead interval data. See exhibits EACCH-3.1,
13 EACCH-3.2, EACCH-3.3C.

- 14 4. PSE claims that interval reads are used for demand and/or Time-of-Use (TOU)
15 billing. However, per data provided by PSE tells us different story. At some
16 point all four accounts were set for commercial rate, and they did charge them
17 for Demand. But PSE still used meter reads instead. It's important to notate
18 that, that the demand charges also show incorrect values. Demand calculations
19 described in both technical specs, SAP and Oracle. The demand is the highest
20 daily value. Per PSE data, the highest value is multiplied by 4 for unknown
21 reason causing much higher demand charges. See exhibit EACCH-12C to

1 review PDF copy of the statement (Commercial rate), and Exhibit EACCH-26C
2 for data sample.

- 3 5. Detailed review of Complainant's accounts (in some cases, three accounts
4 have different issues) to point out large discrepancies, inconsistencies, illegit
5 estimates and data alternations. I will be presenting the following supporting
6 documentation: billing summaries, interval data, meter reads, data analysis.

7 Ongoing Billing Issues:

- 8 • PSE statements are very confusing and it's almost impossible to reconcile.
9 How do they expect customer who have no knowledge in accounting and/or
10 finance to be able to reconcile their accounts if it took me, a senior financial
11 data analyst with years of experience, several days to reconcile each account?
12 • No visibility of whether the statement is a "Re-bill", "catch up" or a new
13 charge.
14 • No visibility at transactional level. Same amounts billed repeatedly.
15 • Statement total showing on PDF copy does not match the total showing on
16 online payment summary page.
17 • Altered billing summary – summary shows different totals. Data loaded on
18 October 20, 2022, and October 24,2022 was modified. See exhibit
19 EACCH-10C.
20 • Estimated amounts are not only four times higher than it should be, but PSE
21 issued so called "catch up bills" for prior months (over six months which goes
against UTC rules). Estimation amounts are illegit and do not make any sense.

1 Customers are not provided with any back up data to prove unexplainable
2 charges.

- 3 • Account # 220028367005 – Building Schedule Phase II - Outlets were not
4 installed until the finish electrical on 6/21/22. Throughout this build, the
5 contractors continued to run power from the temp pole to complete
6 this house builds. The contractor used temporary outlet (account #
7 220024547758) for their tools. Due to winter weather, construction stopped
8 until 3/2/22 and continued to completion on 7/25/22. PSE charges on account
9 #220028367005 started on December 9, 2021, and “consumption” reached
10 46,329 KWH by June 21, 2022. PSE claims that they tested the meter after the
11 fact. The test was performed for 3 minutes and 53 seconds, this could not
12 explain the fact that the daily usage was 25 times higher than usual for several
13 months. Johnson’s credit card was charged for almost five thousand dollars.
14 Multiple communications with PSE customer service and informal complaint
15 did not affect their account and charges have not been removed to date. See
16 Exhibit EACCH-8. Per notes form Thomas and Heidi Johnson “*PSE was*
17 *delayed in getting a bill to us during the winter months and when we did it was*
18 *for over \$4,500 for those 3 months. We had a debit card on file with PSE, so*
19 *they took the money out of our account. We called my bank and had the charge*
20 *reversed, that is why it is still listed as “past due”. It was then we realized the*
21 *situation. Calling PSE was no help as the customer service agent told me*
22 *contractors use a lot of energy in a home build. While true, I had a separate*

1 *account where we were paying those charges. This account was on a house*
2 *that was not being used by any contractor.” See exhibit EACCH-23C.*

- 3 • Account #220023882420 – on July 29, 2021, Argunov’ s account was charged
4 for the following period from 07/22/2020 to 07/13/2021. No back up data
5 provided. They did, however, issue unexplained credit of \$1,650.23 which you
6 cannot see unless you download a bill copy. All attempts to resolve issues were
7 brushed off either by PSE Customer Service or the UTC representative of
8 Consumer Protection Department. See exhibits EACCH-6C, EACCH-6.1C.
- 9 • Account # - 220024363511 – on August 4,16, and 18 PSE repeatedly billed
10 customer for previous months from 12/14/2020 to 08/12/2021. “Re-billed”
11 amounts processed against GAAP requirements as no credits were issued to
12 offset the charge. According to GAAP all transactions should be visible on
13 customer accounts, and when billing errors happen, the credit must be posted to
14 the account accordingly. Estimations do not make sense, and there is no back
15 up data. Details provided in PDF copies are confusing and most likely were
16 manually processed. See exhibit EACCH-4C.
- 17 • Account # 220024547758 – Billing discrepancies. PSE bills customer for the
18 entire ending balance of all cumulative meter reads. See exhibit EACCH-19C.

- 19 6. Statistics (KWH consumption) - average energy usage consumption per
20 household in WA state. PSE claims that they do not review statistics when it
21 comes to customer complaints about high bills. However, UTC records show
22 that when rate increase is being reviewed or approved, they specify the average

1 amount of KWH per month per household as well as approximate monthly
2 charges. Looking at all three accounts we are very far from the average,
3 monthly KWH are extremely high, and amounts billed to all three accounts are
4 significantly higher than normal. See exhibits EACCH-9C, EACCH-9.1C.
5 According to UTC data the average monthly consumption is 831 KWH, and
6 this is not even close to what we were billed for. Looking at all four accounts,
7 during 14 billing cycles from 08/12/2021 to 06/13/2022 PSE average monthly
8 consumption was 8,493.97 KWH which is 10 times higher than normal. The
9 average monthly cost was \$934.

10 The analysis presented in exhibits EACCH-24C and EACCH-25C clearly
11 shows that PSE bills are extremely high. According to my calculations, our
12 monthly bills should be approximately \$100.00 and monthly consumption
13 around 903 KWH. So, which calculations are closer to the standard
14 consumption and costs? I think the answer is more than obvious to everyone.

15 7. Statistics (public records – customer complaints) to highlight an ongoing issue
16 impacting multiple PSE customers across the state. Since 2019, 54%
17 complains were about their billing, and from January 2022 to July 2022 – 70%.
18 The data is clearly showing an ongoing issue with PSE billing. See exhibit
19 EACCH-22.

20 8. Working Hours adjustment to original request specified in the Formal
21 Complaint filing. I worked long hours, and this is not supposed to be customer
22 job to investigate PSE system flaws and errors. Therefore, I am asking the

1 Commission to force PSE to reimburse the time that was taken away from my
2 family, my job, and my school.

3 **III. CONCLUSIONS AND SUMMARY**

4 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

5 A. Yes, it does. However, I reserve the right to adjust additional facts and or statistics
6 after PSE's Response Testimony.

7 **Q. PLEASE SUMMARISE YOUR CONCLUSION(S).**

8 A. Based on Exhibits provided in Direct testimony, I was able to provide enough
9 evidence to hold Puget Sound Energy accountable for their actions, violating multiple
10 Commission rules contained in Washington Administrative Code (WAC) 480-100. Their
11 irresponsible behavior and lack of expertise caused (and still is causing) their customers
12 to pay thousands of dollars for the service they have not received and energy they have
13 not consumed. Although, this case is about four specific PSE accounts, the facts show the
14 magnitude of their actions is yet to be determined. Despite all the facts presented to PSE,
15 the issue is being denied and ignored, without any substantial evidence. PSE refused to
16 provide mathematical rules and algorithms requested by Coyote Creek Homeowners in
17 data request No 004. (See exh. EACCH-11C), stating "Puget Sound Energy ("PSE")
18 objects to Coyote Creek Homeowners ("CCH") Data Request No. 004 as overbroad
19 unduly burdensome, and not reasonably calculated to lead to the discovery of admissible
20 evidence."

1 PSE responses are vague, and it seems they reserve the right to choose how to operate.
2 Their business field is to supply energy, which is a subject to very precise sciences, Math,
3 Statistics, and Physics. PSE refuses to understand that:

4 **A.** No one is allowed to change the way energy consumption measured and
5 calculated.

6 **B.** The Meter Data Management System (MDMS) required special procedures for
7 interval data processing, and this is not something PSE can “work around” and/or
8 chose not to follow those mandatory steps.

9 **C.** The AMI system is very sophisticated technology and requires extremely high
10 standards, such as data integrity, and qualified staffing. Unfortunately, PSE did
11 not take into consideration the essential components of a brand-new system; and
12 rushed into installation of smart meters treating them as if they were “old school”
13 analog meters.

14 **D.** Data Integrity is a crucial component of the Advanced Metering System
15 (AMI), meaning that there is data accuracy and completeness when it comes to
16 the design, implementation and going into production environment. Sadly, PSE
17 does not comply with any of those characteristics.

18 As stated in guidance from the U.S. Department of energy, the AMI system is
19 about: a) accurate and timely billing instead PSE is constantly overcharging a
20 substantial amount every single month; b) fewer customer disputes, but the reality
21 is that as of July of '22 - 70% of all informal complaints were about high bills and

1 other billing issues, 54% starting '19); c) and customer bill savings, however, our
2 monthly energy costs are close to \$1,000.

3 PSE must restructure, and perform a complete implementation of AMI system
4 accordingly, and we hope this case will serve as a good cause for implementing
5 additional controls from the Utilities and Transportation Commission. It will help
6 prevent further disastrous consequences and stop PSE from tapping
7 uncontrollably into its customers wallets.

8 We acknowledge PSE is the main supplier of energy, but we, the customers, are
9 also the main source of their revenue. We deserve to be heard and treated with
10 fairness, respect and dignity!

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