

Docket No. UE-220701 - Vol. II

Argunov, et al. v. Puget Sound Energy

March 14, 2023



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BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

ALEXANDER AND ELENA ARGUNOV,)	
THOMAS AND HEIDI JOHNSON, CHAD)	
AND VICTORIA GROESBECK,)	
)	
Complainants,)	Docket No. UE-220701
)	
v.)	
)	
PUGET SOUND ENERGY,)	
)	
Respondent.)	

VIDEOCONFERENCE EVIDENTIARY HEARING-VOLUME II

Pages 18-158

ADMINISTRATIVE LAW JUDGE THOMAS JOHNSON

March 14, 2023

9:30 a.m.

DATE TAKEN: MARCH 14, 2023

REPORTED BY: CARISA KITSELMAN, RPR, CCR 2018

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THOMAS JOHNSON
VICTORIA AND CHAD GROESBECK

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1 MARCH 14, 2023

2 9:30 A.M.

3 JUDGE HOWARD: Let's be on the record.

4 Good morning. It is Tuesday, March 14th, and the time is
5 9:30 a.m. My name is Michael Howard. I'm an
6 administrative law judge with the Commission. We're here
7 today for an evidentiary hearing in Docket UE-220701.
8 This case is captioned Alexander and Elena Argunov,
9 Thomas and Heidi Johnson, and Chad and Victoria Groesbeck
10 versus Puget Sound Energy.

11 Let's start by taking appearances beginning
12 with the three homeowners who brought this complaint.
13 Could I turn first to Ms. Argunov?

14 MS. ARGUNOV: Good morning. My name is
15 Elena Argunov, and I'm the main complainant against Puget
16 Sound Energy. We live in Cle Elum address 1550 Old
17 Cedars Road.

18 JUDGE HOWARD: Thank you.

19 Could we have a similar appearance from the
20 Johnsons?

21 MR. JOHNSON: Yes. This is Thomas Johnson.
22 Address 1340 Old Cedars Road in Cle Elum, Washington.

23 JUDGE HOWARD: Great. Thank you.

24 Could we have an appearance from the Groesbecks?

25 MS. GROESBECK: Victoria Groesbeck and Chad

1 Groesbeck. Address 971 Old Cedars Road, Cle Elum,
2 Washington.

3 JUDGE HOWARD: Thank you.

4 Could we have an appearance from PSE?

5 MR. STARKEY: Thank you. Byron Starkey on
6 behalf of Puget Sound Energy and with me here is also
7 Sheri Carson.

8 JUDGE HOWARD: All right. Thank you.

9 Could we have an appearance from Staff?

10 MR. CALLAGHAN: Thank you, Your Honor.

11 Nash Callaghan, assistant attorney general, here
12 on behalf of Staff.

13 As you know, we're not appearing as a party but
14 are providing Sheri Hoyt as a witness. Thank you.

15 JUDGE HOWARD: Yes. Thank you.

16 Could we have an appearance from Public Counsel?

17 MS. GAFKEN: Good morning. My name is
18 Lisa Gafken, assistant attorney general, appearing on
19 behalf of Public Counsel.

20 JUDGE HOWARD: Great. Thank you.

21 So I want to start out by giving an overview for
22 our plans today.

23 We'll begin in a minute here with admitting
24 evidence and addressing objections. I might reserve
25 rulings on some objections but I want to hear the

1 parties' objections up front.

2 I will then allow the parties an opportunity to
3 provide brief opening statements limited to ten minutes
4 each. And, again, sorry about my voice. I hope it's
5 understandable.

6 We'll then turn to the cross-examination of
7 witnesses following the order of presentation that I
8 circulated to the parties earlier. So this means that we
9 will swear in Ms. Argunov first, and we'll allow for
10 cross-examination of her.

11 We'll then proceed through the witnesses and end
12 with Staff witness Sheri Hoyt. And as Mr. Callaghan
13 noted, Staff is not a party in this case. Ms. Argunov
14 indicated some cross time for this witness. I may also
15 ask a couple of clarifying questions of Ms. Hoyt.

16 We'll take a brief midmorning break and a lunch
17 break. The parties estimate that there will be
18 approximately two hours and 55 minutes of
19 cross-examination. So when we consider our opening
20 statements and oral closing statements, I expect that we
21 would be ending the hearing sometime this afternoon. We
22 can also take a midafternoon break, if necessary.

23 I also want to remind the parties, because this
24 is a Zoom hearing, to keep your microphones muted unless
25 they are speaking -- unless you are speaking, excuse me.

1 And also to only use video for those portions of
2 the hearing when you have a speaking role. It shouldn't
3 be too crucial of an issue today, the use of video and
4 toggling on and off, but do keep that in mind.

5 If you are having any technical issues, or you
6 observe that someone has dropped off the call, please
7 mention that in the chat, the Zoom chat. And the chat
8 should be reserved for technical issues and requests for
9 breaks only because it won't be made part of the official
10 record.

11 Are there any questions about our plans for
12 today or any housekeeping matters before we go on the
13 record -- I'm sorry, before we continue to the admission
14 of evidence?

15 All right. Hearing none. Let's turn to the
16 admission of prefiled testimony and exhibits.

17 In my e-mail to the parties last week, I
18 circulated my exhibit list that included prefiled
19 testimony exhibits up to and including cross-examination
20 exhibits. And there were also -- I believe there were
21 three exhibits -- I'm sorry, four exhibits filed by
22 Ms. Argunov on March 10th. And I circulated a revised
23 exhibit list as well.

24 So I wanted to clarify one brief issue with
25 Ms. Argunov before we hear from each of the parties.

1 So, Ms. Argunov, right now, as I understand,
2 your direct testimony, which would be labeled EACCH-1T,
3 is not in the record in the Cases application that we
4 have. There is an issue where records center would like
5 you to clarify whether you intend to mark this exhibit
6 confidential because it does have a shaded sentence.

7 Would you be able to refile that with a
8 confidential and redacted version and a cover letter? Or
9 would you like to -- or would you -- would you say that
10 that exhibit should not be confidential? It's up to you.

11 MS. ARGUNOV: It probably -- it's not
12 confidential because I read through it again. There is
13 no really -- there is no home addresses or social
14 security numbers or any other, like, very confidential
15 information. And I will double-check but I think I
16 e-mailed about -- about it to the records center.

17 But, yeah, to answer your question, there is no
18 need to make it confidential.

19 JUDGE HOWARD: Okay. Great. Thank you. I
20 just wanted to clarify that, and I will ensure that
21 records center adds that to the docket in Cases.

22 So with that issue addressed, I'm going to turn
23 to each of the parties and ask if they would -- would
24 stipulate or -- that's a -- we can simply say agree to
25 the admission of all the prefiled exhibits and testimony,

1 where if they have any objections to the admission of the
2 prefiled exhibits and testimony.

3 So I'm going to turn to each of the homeowners
4 first.

5 Ms. Argunov, do you have any objections to any
6 of the exhibits from any of the parties, or would you
7 agree that they can be admitted?

8 MS. ARGUNOV: Yeah. They all can be admitted.
9 No objections, Your Honor.

10 JUDGE HOWARD: All right. Thank you.
11 Could I hear from the Johnsons?

12 MR. JOHNSON: No objections, Your Honor.

13 JUDGE HOWARD: Thank you.

14 Could I hear from the Groesbecks?

15 MS. GROESBECK: No objections, Your Honor,
16 from the Groesbecks.

17 JUDGE HOWARD: Thank you.

18 Could I turn next to PSE?

19 MR. STARKEY: No objections, Your Honor.
20 Other than the objections that I noted with 42 through 45
21 and whether or not those are considered cross or prefiled
22 direct.

23 JUDGE HOWARD: Thank you.

24 So, Ms. Argunov, PSE has raised this question of
25 what you intend to use -- how you intend to submit these,

1 what you intend to use your Exhibits 42 through 45 for?

2 Do you see those as exhibits you'll be using to
3 cross-examine witnesses, or are those part of your case?

4 MS. ARGUNOV: So there are a couple things.

5 I don't remember the -- the exact date. I
6 believe it was either on March 8th or even prior when I
7 submitted those exhibits. But I had technical issues to
8 put it into redacted version. And those exhibits
9 actually are response to one of my data requests. So
10 it's nothing new in terms of PSE because this is copies
11 of all of our bills. So there's nothing really new about
12 it.

13 But -- and I -- well, I was working on
14 cross-examination only if there is specific question from
15 any of the sides so we can pull up the copies. But, in
16 general, it's just there for reference just in case we
17 need it.

18 But to answer your question, I was not planning
19 to use it specifically for cross-examination unless we
20 really need to find some copies to -- let's say to
21 confirm some statements from either my side or PSE's
22 side.

23 And the 42, again, it's not really new. It's
24 just a part of Oracle documentation because I believe, in
25 general, when you -- when you open Oracle specifications.

1 So if you see PDF copies, it's about 374 pages.

2 So I just wanted to use particular specific --
3 specific areas from Oracle to additionally clarify,
4 right, what -- what I'm claiming.

5 JUDGE HOWARD: Okay.

6 MS. ARGUNOV: But I'm -- if you decide that we
7 cannot use it, that's going to be fine with me.

8 JUDGE HOWARD: Okay. Mr. Starkey, do you have
9 any response?

10 MR. STARKEY: Yes, Your Honor.

11 Our position is -- PSE's position is that these
12 Exhibits 42 through 45 should not be admitted unless they
13 are used specifically for cross-examination. They were
14 submitted well after the deadline for their submission of
15 testimony.

16 We would also contend that Exhibit 42, we have
17 other objections if it is used for cross-examination
18 testimony, which we can get to that point if needed.

19 But our objection still stands that these were
20 submitted well after the deadline.

21 JUDGE HOWARD: All right. I am going to grant
22 PSE's objection to EACCH-42 through 45.

23 The reason for that is the -- the deadline
24 for -- excuse me. Just a moment here.

25 The deadline for rebuttal testimony would have

1 been February 24th. And I'm -- I'm not hearing
2 circumstances that convince me there was exceptional
3 circumstances that require extending that in some sense
4 to March 10th when these were filed.

5 So I can -- and I'll just explain that I -- I
6 can give pro se parties some leeway. But I also have to,
7 in most respects, treat them like any other party and
8 hold them to deadlines and things like that in the great
9 majority of cases.

10 So I'm going to reject Exhibits EACCH-42 through
11 45.

12 Were there any other objections from PSE? I
13 believe that was it.

14 MR. STARKEY: No, Your Honor. Those are the
15 only objections we had.

16 JUDGE HOWARD: All right. I would normally
17 turn to Staff next but Staff is not a party to this case.
18 Mr. Callaghan, you can most adversely disagree with me if
19 you feel the need to.

20 I'm going to turn next to Public Counsel and see
21 if Public Counsel has any objections or concerns with the
22 exhibits.

23 MS. GAFKEN: Thank you, Your Honor.

24 Public Counsel does object to the cross exhibit
25 proposed by PSE for Aaron Tam, which is Cross Exhibit

1 AT6X. The document in Cross Exhibit AT-6X.

2 The document in Cross Exhibit AT-6X is an
3 excerpt from Public Counsel's post-hearing brief and
4 Public Counsel's 2019 general rate case, which was in
5 Docket UE-190529 and UG-190530.

6 Public Counsel's objection is based on relevance
7 and that the evidence is outside of the scope of this
8 proceeding. The Commission issued its final order in the
9 2019 rate case on July 8, 2020, resolving the issues
10 raised by the parties in that litigation. The issues in
11 the rate case involved cost recovery, whereas the issue
12 here involve customer complaints relating to their
13 specific meters and service.

14 So, as a result, Public Counsel asks that Cross
15 Exhibit AT-6X be excluded.

16 With respect to the remaining exhibits and
17 testimony, Public Counsel has no objections and would
18 agree to the admission of those documents into the
19 record.

20 JUDGE HOWARD: All right. Great.

21 Would PSE like to respond briefly to that?

22 MR. STARKEY: Yes, Your Honor.

23 The testimony or the brief that is excerpted
24 from that concerns the AMR meter reliability. And it
25 concerns whether one or not, one, Public Counsel was

1 aware of some of the issues that might be related to AMR
2 meter reliability, which is an issue that has been raised
3 in this case. And it is the basis for which Public
4 Counsel is arguing that fines or penalties should be
5 imposed. We think that position is relevant when
6 considering the broader context of whether or not
7 penalties should be imposed for potential violations.

8 JUDGE HOWARD: I think for AT-6X -- sorry, I
9 hope that is intelligible to court reporter -- I'm going
10 to reserve my ruling on AT-6X. I would like -- I would
11 like PSE to -- I have some concern that -- about crossing
12 any witness on exhibits that they may not have a lot of
13 firsthand knowledge with.

14 So I would like PSE to be mindful of that as it
15 seeks to offer this into evidence. And PSE can move that
16 into evidence later. And we'll see how it goes depending
17 on the specific questions.

18 And similar concerns apply to the issue of
19 relevance. It will depend on the specific questions.

20 All right. After hearing from the parties and
21 hearing the parties' objections, it appears that the
22 parties largely agree to the admission of the exhibits
23 except for what we specifically discussed.

24 So with that, I will admit all the prefiled
25 exhibits and testimony except for those I have already

1 mentioned, which would be EACCH-42 through 45, which are
2 rejected. And I'm reserving a ruling on AT-6X.

3 (Prefiled exhibits admitted.)

4 JUDGE HOWARD: After our hearing today, I will
5 provide a copy of the exhibit list to court reporter so
6 that can be made part of the record.

7 So with that, we'll allow -- we'll now turn to
8 opening statements. And as I indicated, we'll allow each
9 party an opportunity for a short opening statement which
10 I would -- I would picture being around ten minutes or
11 less, if you desire.

12 So I would turn first to Ms. Argunov.

13 OPENING STATEMENT

14 MS. ARGUNOV: Thank you, Your Honor.

15 So I've never done this before so I apologize
16 if -- and I'm a little bit nervous. And I thought that
17 how I can start this opening statement and what should I
18 say. So I -- and I treat it as a no -- nothing else like
19 my project at work. So at work when we start meeting, we
20 always like to say "reflection," which, you know,
21 environment around us and kind of prepare everyone for
22 what is coming. And in my scenario, and when I was
23 working on this, I think that this reflection would be
24 the best way to describe what I've done so far.

25 And so you must always be willing to truly

1 consider evidence that contradicts your beliefs and admit
2 that you may be wrong. Intelligent isn't knowing
3 everything, is the ability to challenge everything you
4 know.

5 So when I start looking at the things and issues
6 that I thought at first I discovered, I start really
7 learning from the scratch. So considering that I don't
8 know anything about it -- but I took time. It's been
9 almost a year where almost every day after work I was
10 learning the subject. I was trying to go from the point
11 of, okay, I'm wrong. And then I learned that, okay, what
12 facts do I have to support either of the sides? Because
13 I was trying to see my opinion, I was trying to see PSE
14 perception. So it's this case, it's not really about
15 what I think or what PSE thinks or about what anyone else
16 thinks. It's about real facts, documentation, technical
17 documentation, that describes the process that everyone
18 should follow who is involved, who is using platforms,
19 who is using the software, right?

20 So I have ten minutes so I will be -- I will try
21 to be as short as possible.

22 So the first thing probably -- I will follow
23 kind of the order that I had in my direct testimony. And
24 I probably -- the best way would be to read it, actually.

25 So the first was the overview of advance meter

1 infrastructure rates.

2 So let me share my screen for a sec.

3 So this is Exhibit EACCH-7. This is an overview
4 of advanced metering infrastructure.

5 So I want us to go back to original answer of
6 PSE to my formal complaint where they said that answering
7 paragraph 1 of the complaint, PSE denies all allegation
8 in part one of the complaint. PSE provided information
9 to the Commission and its customers about meters --
10 meters consistent with the purpose and usage of a members
11 of the AMI meters. While AMI meters have the capability
12 to transmit readings in 15-minute intervals, this
13 functionality is not used for calculation of total
14 monthly usage when billing customers.

15 To determine the usage of the particular
16 customer meter read is obtained at the end of each
17 month -- monthly billing period, excuse me, by
18 subtracting the beginning rate at the beginning of the
19 month from the end rate at the end of the month.

20 So what I was describing after that is I
21 provided a phrase from here. So it's page No. 12.

22 So the core element of AMI smart meter which
23 provide number of functions including measuring customer
24 electricity consumption in 5-, 15-, 30- or 60-minute
25 intervals measuring voltage levels and monitoring the

1 on/off status of electric service. Smart meters
2 communicate these readings to utility for processing
3 analysis and recommunication back to the customers for
4 billing.

5 So this is applicable for one-way meters, which
6 is AMR. And two-way meters which is AMI smart meters.

7 So this is where I was saying that it actually
8 contradicts to the response of PSE because -- and I also
9 provided specifications from Oracle. I provided
10 specifications from SAP. Both of them, they have
11 specific modules to process billing, to process interval
12 related data.

13 Also in Exhibit KM-1CT, I -- Ms. McClenahan, she
14 provided on page 6, the link to SAP website. So this is
15 the link. So when I open it -- and this is what -- one
16 of the stages, right, before all readings goes to the
17 billing. Even in this page, it says -- so when the order
18 output is going out, so this is the MDUS request. MDUS
19 request is not MDMS. Because MDMS is just a management
20 system. MDUS, it's a module. It's -- that is in L+G
21 software, it's a platform, right, that they're using as a
22 bridge to process afterwards all measurements and values
23 over to the billing. Because there is a difference
24 between unit of measure and quantity.

25 I think when I read Oracle specifications, I

1 think they -- they said it the best way. So the billing
2 for smart meters, it's like reviewing measurements. And
3 then analyzing interval data and see what the actual
4 consumption was.

5 So in -- when we look at the meter
6 specifications, right, let me see. Sorry. I have a lot
7 of exhibits.

8 So the meter -- the meter specifications, right?
9 There is a lot of exhibits. So the meter -- the meter
10 specifications, right. So it clearly states what
11 measurements they using. And so the demand metric, it's
12 kilowatt, not kilowatt hours. I know that the PSE in one
13 of their responses, they were referencing to the channel,
14 which is kilowatt received. However, if you look at --
15 and it would be -- I'm just going to show the -- the one
16 meter. But it's applicable to any other meter that we
17 had.

18 Even if you look at this summary -- at the
19 summary, received kilowatt hours. It's zero. What it
20 shows, kilowatt hours cumulative, which means it's just a
21 usage value. This is the raw data. And as I said, both
22 SAP and Oracle, they have both specific modules to
23 process the data.

24 So MDMS, it's just a system that stores, right,
25 all the -- all the data they receive from all the meters.

1 But it's definitely not something that can be used for
2 the billing because those are particular steps,
3 particular calculations, that need to take into
4 considerations like profile data. Profile data meaning
5 that they group each interval by the group because the
6 scale is one hour, not 15 minutes. So these all the
7 values, the cumulative values, they have to be calculated
8 before they go into the billing, before they go in --
9 before PSE bills us for kilowatt hours.

10 Even if you look at the -- so this is SAP real
11 time -- real-time billing. So real-time billing, also
12 known as a demand billing. If you even look at the
13 pictures, right, so this is kilowatt. In -- how would I
14 call -- what would I call it? Because when we see the
15 interval data, they can use kilowatt or kilowatt hours in
16 general from the data perspective. It doesn't matter.
17 Because all these measurements, all this amount of
18 cumulative data, it goes to particular module. And from
19 there, calculations, business rules, happening. And
20 after that, as an end result, you get the amount of
21 consumption, the number of kilowatt hours we actually
22 used.

23 Unfortunately, what's happening is that PSE
24 billing us for raw, uncalculated data, which causing, as
25 I said, the charges being four times more than it's

1 supposed to be because each hour it's four intervals.
2 And this is the -- if they would use those -- one of the
3 modules that they were supposed to do. So that would not
4 be happening.

5 And I also, if I have still time, I wanted to
6 show -- let me see. That would be -- yes. So this is
7 Exhibit No. EACCH-30 which is -- describes in general
8 FOCUS AX meters, right, and provides specific metrics
9 around display options and everything.

10 So this is the energy metric. So this is the
11 plus kilowatt hours, kilowatt delivered, right, which I
12 already showed you that which shows zero everywhere if
13 you look at the meter configurations. There is no such
14 even amount calculated from anywhere.

15 So the other thing that if you put here,
16 attention, so this is the billing options. The billing
17 options, there are basically two. So time of use, which
18 you see is not using but they're going to. And then
19 demand billing, also known as real time.

20 So I think where the confusion is coming from is
21 that -- for some reason PSE considered demand only as
22 a -- if they charge customers for the demand itself. But
23 demand billing, it's interval billing. It's real-time
24 billing. Meaning that if any time, if any time of the --
25 even the day, you can take, calculate particular hours

1 and calculate the -- the amount you -- of kilowatt hours
2 at any time to the customer. The demand bill -- the
3 demand charges is different calculations. It's just
4 additional, I would say, feature. But in -- even if you
5 look at the general specifications, there is a reason why
6 I was always -- all along I was saying that the smart
7 meters, they read kilowatt hours. Because it's clearly
8 stating active energy, in parenthesis, kilowatt hours,
9 kilowatts. The active energy measure -- the active power
10 measures in watts, or kilowatts, in this particular
11 scenario.

12 So there are several areas where I -- I thought
13 I was very clear that showed how those meters are -- not
14 even kept. Because calculations are not happening in the
15 meters. So this just measures how -- the amount of
16 measure. And then it goes after that to specific module
17 that is supposed to calculate everything, meaning the
18 quantity in service, quantity bill to customers. I hope
19 that makes sense.

20 JUDGE HOWARD: Yes. Thank you. Thank you,
21 Ms. Argunov. I was just going to remind you of your ten
22 minutes.

23 But are you concluded?

24 MS. ARGUNOV: Yes.

25 JUDGE HOWARD: All right. Thank you.

1 And, yes, when you cite exhibits, I tried to
2 pull them up at the same time so you know.

3 So all right. Would the Johnsons like to give
4 an opening statement?

5 MR. JOHNSON: Yes, we would. Thank you, Your
6 Honor.

7 CLOSING ARGUMENTS

8 MR. JOHNSON: I would reference Exhibit 4 in
9 our case. We're leaning heavily on Elena on her
10 expertise in calculating data points that I don't have
11 that kind of expertise. So we're going to rely on her
12 testimony as far as the -- what the logic behind the
13 inaccurate billing that we received.

14 But, specifically, Exhibit 4 notes, that there
15 was a March and April charge of 480-plus kilowatt hours
16 per month, it appears. And then in May, it looks like
17 between 240 and 360.

18 The house, it's illogical that this kind of
19 energy would be used in a house that had no finished
20 electrical in it, was still under construction. We had a
21 power pole, temp power pole, which we have a separate
22 exhibit showing that invoice which has been paid. And to
23 be honest with, you moving forward with occupation
24 starting in August, running air-conditioning full-time
25 and heat during the winter, our bill hasn't exceeded

1 \$400.

2 So for the fact that March and April and May,
3 for that matter, reflecting the \$4,403.92 charged to us,
4 electrically -- logically, it doesn't make any sense to
5 us.

6 So my statement will be much shorter and brief,
7 briefer to the point that our allegations against PSE is
8 that this obviously is a miscalculation in some fashion.
9 We can't even fathom who would be in the house that would
10 be using that much electricity, if any electricity at all
11 was being used, due to the fact that the furnace was
12 installed but not active. We had heaters and blowers in
13 the -- that were running up to the temp power poles on
14 extension cords to assist with the drywall situation.
15 And were asked actually not to run the heat by the
16 drywallers in order to keep the ambient temperature in
17 the house at a certain level.

18 We did run fans and we actually opened windows
19 to help the drying process. Fortunately we don't live in
20 the west side of the state, so the humidity is much less
21 where we live, so it does assist in the drying situation.

22 Again, back to the logical point of this.

23 In an unoccupied home that doesn't have any
24 finished electrical and has no appliances running in it,
25 the fact that PSE is stating that we spent 4,000 and

1 change in electrical costs seems illogical and not
2 substantiated. And, honestly, we haven't found anything
3 that PSE has produced to show how they can substantiate
4 these costs to us.

5 So that's my statement. Thank you.

6 JUDGE HOWARD: All right. Thank you.

7 Would the Groesbecks like to giving opening
8 statement?

9 Opening Statement

10 MS. GROESBECK: Yeah. We are similar to the
11 Johnsons as we're relying heavily on Elena's calculations
12 and expertise throughout -- in her testimony.

13 But we're in the same boat as Tom and Heidi
14 where it's almost become a second job for me trying to
15 make it all make sense with our bills, especially since
16 our extremely high bills were coming at a point where we
17 were living in the home. And when our bills were 6-,
18 \$700 a month when we were primarily heating with a wood
19 stove during the winter. And now this year during the
20 same months, our bills were around \$200. It doesn't add
21 up. And it doesn't make sense for us, to put it shortly.

22 And although we're not experts in any of these
23 areas, it just -- with our house being brand-new and us
24 knowing the results of our blower door tests, knowing how
25 efficient our home is and having all of the energy guides

1 from all of our appliances and all of our systems. And
2 when we add up the cost per year of every appliance,
3 it -- our bills are more than that in a month than what
4 these -- all these appliances should be costing us in an
5 entire year.

6 So that's -- that's all we have. Like I said,
7 we're relying heavily on Elena. But we've tried to
8 communicate with PSE about how it doesn't make sense.
9 And when we call customer service, we've been told -- the
10 first questions we've been asked is, well, how many
11 Teslas are you charging? And the answer is none. We
12 have zero Teslas. We have a single-story home.

13 And there's been a lot of excuses on their part
14 about justifying the high bills. And there's just no
15 justifying it in our eyes.

16 And that concludes my statement.

17 JUDGE HOWARD: All right. Thank you.

18 I turn next to the Company.

19 MR. STARKEY: Thank you, Your Honor.

20 OPENING STATEMENT

21 MR. STARKEY: The case in front of you today,
22 it's about accuracy and whether or not Puget Sound Energy
23 ultimately and accurately billed customers for the energy
24 that they used. And the testimony shows that it did.

25 Involved here are three different customers who

1 all built new homes in a remote neighborhood near Cle
2 Elum. Each customer had their own informal complaint and
3 their own unique set of facts. But they've combined it
4 under now one broad, but inaccurate theory, that PSE is
5 incorrectly billing customers.

6 What the evidence and the testimony in this case
7 shows, and will show, are three things:

8 One, that the complainants have not met their
9 burden of proof that there is an underlying issue.

10 Two, PSE can affirmatively show that the
11 underlying theory is incorrect.

12 And, three, PSE has taken the necessary steps to
13 remediate any problems that existed, and those issues are
14 unlikely to repeat because the AMI network is up and
15 running that area.

16 And, accordingly, the imposition of fines is not
17 necessary.

18 So there are three complainants; there's the
19 Groesbecks, the Johnsons and Argunovs. And I'll take
20 those in turn, and I'll address the larger allegation at
21 the end with the Argunov complaint.

22 But the key across all three cases is that they
23 were ultimately billed based off of actual energy used.

24 So I'll start with the Groesbecks.

25 The Groesbecks initially had an AMR meter. And

1 the issues that they experienced were primarily from the
2 AMR meter network. The network that receives the reads
3 from the AMR meter and transfers that information along
4 for billing.

5 The meter was giving accurate reads, though. So
6 it was functional, but the network was not receiving
7 them. And when this happens, PSE has a procedure where
8 it will send estimated bills as allowed under WAC
9 480-100-178 and its tariff.

10 And then it will reconcile future bills once it
11 receives an actual read from the meter. And that
12 reconciliation process is important here. It's how PSE
13 will make sure that a customer only pays for energy used.

14 So if the estimated bill was high, customers
15 would receive a credit; if the estimated bill was low,
16 then the balance will be made up in what is called a
17 true-up bill. But either way, the customer will only pay
18 for the actual energy used based off of the actual read
19 from the meter.

20 For the Groesbecks, their estimated bills were
21 initially low because there was no data or historical
22 energy usage because there was a new construction. When
23 PSE did eventually receive actual reads, they send
24 true-up bills based off of actual usage. But that AMR
25 meter, while it was still accurately measuring energy

1 use, it continued to struggle with getting the reads
2 through the AMR network.

3 And the result was that the Groesbecks had
4 multiple estimated bills even though they had an accurate
5 true-up bill in between that. And PSE offered, and the
6 Groesbecks enrolled in a payment plan, so they did not
7 have to pay multiple months of a true-up on one go. And
8 then eventually PSE did replace their AMR meter with an
9 AMI meter. And that solved the network communication
10 issues.

11 Well, for the Groesbecks, PSE acknowledges that
12 there were multiple estimated bills. And there were
13 corrected errors because the AMR meter was not able to
14 send reads over the AMR network. But all amounts
15 ultimately charged are based on actual energy used.

16 So now we'll shift to the Johnsons. And the
17 Johnsons had an AMI meter for their permanent service
18 from the outset, and that was in December of 2021.

19 And their complaint is based on a three-month
20 period where they had particularly high bills in early
21 2022, ranging from 15,000 kilowatt hours in one month to
22 about 8,000 kilowatt hours in another. And while that
23 usage is higher than expected, PSE did send out a meter
24 technician to test that meter. And that meter tested
25 accurate.

1 So while that should be enough, discovery in the
2 case has shown that there's a plausible explanation for
3 why the high usage occurred contrary to the Johnsons'
4 claims.

5 And for that, I direct you to SBH-4, which has
6 discussions between the Johnsons and their contractor.
7 What these discussions show is that they had permanent
8 power running to the house by December of 2021. They had
9 their HVAC and electrical heating system up and running
10 in early January. They did not have a garage door. They
11 did not have a door sealing off the garage into the
12 house. And, instead, they were relying on plywood and
13 plastic to seal that. They also didn't have Sheetrock
14 installed until later in March of 2022.

15 All the while, according to their contractor,
16 the heating system in the house was set to run at
17 65 degrees. And the energy usage here shows a heating
18 system that is fighting a losing battle. A losing battle
19 with the cold in one of the coldest areas of PSE service
20 territory. And a large house that is over 4,000 square
21 feet that has not been properly sealed to the elements.
22 It had cracked windows and a bevy of unreliable
23 subcontractors.

24 The key fact, though, is that the Johnsons'
25 meter was accurate, and they were billed for energy used.

1 Now the Argunovs also claim that their bills are
2 not based off of energy use, but on a much different and
3 also incorrect theory that has now been adopted and is
4 the foundation for the formal complaint.

5 The Argunovs claim that PSE's system is
6 essentially quadrupling the amount of energy a customer
7 uses when it goes to billing. And that theory assumes
8 that PSE's meters measure and record energy in kilowatts
9 or as Ms. Argunov called, a unit of measure. And this
10 theory assume -- and then extends it to MDMS and SAP,
11 which improperly takes that data or does not convert the
12 data for billing purposes in kilowatt hours.

13 But the PSE witnesses explained why that theory
14 is incorrect. And it demonstrate how PSE will properly
15 measure energy usage in kilowatt hours from the meter all
16 the way until the customer has a bill in hand.

17 Ian Hagan, an electrical engineer, explains how
18 the meters measure and record energy in kilowatt hours.
19 Allison Sains and Kristina McClenahan show how that read
20 goes through the meter data management system, SAP, to
21 then bill customers on a monthly or bimonthly basis in
22 kilowatt hours that are actually used.

23 And they also show how the system will estimate
24 a bill, when needed, if a read is not received.

25 And then, finally, Stacey Halsen goes into the

1 specific particularities of each customer's account in
2 the general -- in the informal complaints.

3 And what these witnesses show is how the issues
4 the customers faced are generally isolated and unlikely
5 to occur again, which is contrary to Public Counsel's
6 contention.

7 The complainants cannot meet the burden of
8 proof. They have not shown that this is a systemic
9 problem. They have not shown that there are issues with
10 their individual meters.

11 The evidence and the testimony show the
12 opposite. That the AMI meter network is more reliable
13 than the previous AMR network. The process for
14 estimating a bill follows the WAC. And the issues that
15 these customers face are isolated and tied to that older
16 AMR meter network. It's the system that is being
17 replaced and has been replaced for the complainants.

18 And while multiple estimated bills did occur for
19 the Groesbecks, as Commission staff noted in the informal
20 complaints, once the AMR meters were replaced by AMI
21 meters, those issues, they dissipate. And that's
22 important when considering whether to impose fines for
23 potential violation.

24 While Public Counsel has alluded that it might
25 be tied to a larger issue, they don't have a basis for

1 that allegation or they at least ignore the proven
2 reliability of the new AMI meters. Which ultimately that
3 was the solution was to replace the AMR meters with the
4 new AMI meters so that they could communicate with the
5 upgrade and more reliable network.

6 And Public Counsel's recommendation flies in the
7 face of PSE's AMI rollout. Public Counsel has known
8 since 2019 that the AMR network was not as reliable and
9 the transition could not happen overnight.

10 But PSE provided the customers here with the AMI
11 meters ahead of schedule. They did the install
12 themselves rather than waiting for a contractor to go out
13 and get around to their neighborhood. And that
14 ultimately resolved the network communication issues.

15 And we ask that you consider context and the
16 specific facts here that, given the circumstances, given
17 the isolated nature of the issues, given the unlikelihood
18 that they will happen again, you should follow the
19 recommendation of the Commission staff in the informal
20 complaints and issue violations where appropriate, but
21 find that fines are unnecessary.

22 The key question here is were the customers
23 ultimately, accurately billed? And the answer is yes.

24 Thank you.

25 JUDGE HOWARD: All right. Thank you.

1 Can we hear from Public Counsel?

2 MS. GAFKEN: Yes. Good morning.

3 OPENING STATEMENT

4 MS. GAFKEN: Public Counsel is the statutory
5 party in Commission proceedings. And we are a party in
6 this case because three customers in the Cle Elum area
7 complained against PSE for meter and service issues. PSE
8 has been rolling out its advanced meter infrastructure,
9 also called AMI, or smart meters, over the last several
10 years. Meters are a critical component of a utility's
11 infrastructure because it reads the customer's usage for
12 billing and other purposes.

13 With respect to the particular claims made by
14 the complainant, Public Counsel has not taken a position.
15 We honestly had hoped to solve the mystery here. But in
16 the end, the issues are for the complainants and PSE to
17 present their arguments to the Commission.

18 We do view the issues as warranting Commission
19 review and input. And the customers deserve the
20 opportunity to present their case as does the Company.

21 Public Counsel engaged in discovery to
22 understand what transpired. The Argunovs, Johnson, and
23 Groesbeck families were building new homes during the
24 relevant time period. Without going into the specifics
25 of each customer's experience, as a group, they

1 experienced various issues with both their AMR and AMI
2 meters. They contacted the Commission and availed
3 themselves of the informal complaint process.

4 Because they were unsatisfied with the result
5 through that process, they filed this formal complaint.

6 Commission staff identified ten violations
7 during the informal Commission complaint process. Those
8 violations involved failure to conduct timely meter
9 tests, delayed billing, incorrectly charging to schedule
10 24 instead of the residential tariff, estimating bills
11 for longer than allowed under the rule, and billing for
12 corrections that went beyond the allowed time period.

13 Commission staff correctly identified the ten
14 violations they note in the informal complaint records,
15 which I understand are part of the record in this case.

16 Public Counsel has identified 12 additional
17 violations during this formal complaint case as detailed
18 in Aaron Tam's testimony and exhibits. Those violations
19 follow a similar pattern to the violations identified by
20 Commission staff. Mr. Tam details violations related to
21 estimating bills for longer than allowed, billing for
22 corrections that went beyond the allowed time period,
23 failure to meet service requirements, and failure to
24 maintain meters in good working order.

25 Public Counsel believes there were sufficient

1 irregularities in how PSE addressed the metering issues
2 experienced by the Argunovs, Johnson, and Groesbeck
3 family as demonstrated by the 22 violations identified by
4 Public Counsel and submission Commission staff.

5 The Commission should consider penalizing PSE
6 for those violations to encourage future compliance with
7 PSE's regulatory obligations.

8 Public Counsel recognizes that imposing
9 penalties under RCW 80.04.380 through a complaint brought
10 under RCW 80.04.110, would likely involve a separate
11 complaint brought in a new docket.

12 We ask that the Commission in its order in this
13 docket, instruct Commission staff to bring such a
14 complaint. Thank you.

15 JUDGE HOWARD: All right. Thank you.

16 So we will turn now to the cross-examination of
17 witnesses.

18 Our first witness on the order of presentation
19 is Ms. Argunov.

20 So, Ms. Argunov, if you can turn your camera on
21 if it's not -- great. Thank you.

22 And if you would please raise your right hand
23 and I'll swear you in.

24 * * * * *

25 Elena Argunov, having been first duly sworn, was

1 follows:

2 THE WITNESS: Yes, I do, Your Honor.

3 JUDGE HOWARD: All right. Great. Thank you.

4 And PSE indicated I believe it was five minutes
5 of cross for this witness. And you may proceed.

6 MR. STARKEY: Your Honor, sorry I didn't bring
7 this up beforehand. But PSE doesn't have any questions
8 for Ms. Argunov.

9 JUDGE HOWARD: Okay. That's -- that is fine.

10 In that case, Ms. Argunov, then, you won't be
11 subject to cross today. But I imagine you will still
12 attend because you're representing yourself.

13 MS. ARGUNOV: Yes.

14 JUDGE HOWARD: Our next witness is PSE's Ian
15 Hagan.

16 MR. STARKEY: Your Honor, Mr. Hagan is walking
17 into the room, and he'll be here soon.

18 JUDGE HOWARD: Okay. Great.

19 MR. STARKEY: So give us about ten seconds.

20 JUDGE HOWARD: Sounds good.

21 MS. ARGUNOV: Good morning.

22 THE WITNESS: Hi.

23 MS. ARGUNOV: So I have a number of questions.

24 So --

25 JUDGE HOWARD: Oh, just a moment.

1 MS. ARGUNOV: Oh, sorry.

2 JUDGE HOWARD: Mr. Hagan -- I will swear in
3 Mr. Hagan and then you may proceed.

4 MS. ARGUNOV: Okay. Sorry.

5 * * * * *

6 Ian Hagan, having been first duly sworn, was
7 examined and testified as
8 follows:

9 THE WITNESS: I do, Your Honor.

10 JUDGE HOWARD: All right. Great. Thank you.

11 Ms. Argunov, you may proceed.

12 CROSS-EXAMINATION

13 BY MS. ARGUNOV:

14 Q. So, Mr. Hagan, would you please explain the
15 difference between AMR and AMI meters?

16 A. Yes. So AMR meters are a one-way -- so AMR
17 meters, they communicate over what's called a one-way
18 communication network. So the meter transmits an energy
19 read in kilowatt hours. It's received by the network.
20 It goes into MDMS.

21 The AMI network, the key difference with that,
22 it's a two-way communication network where not only do we
23 receive kilowatt hour reads from the AMI meters, but we
24 can also send commands to the meters. So this helps us
25 in terms of the commands that, you know, for example,
are, say, we can ping a meter. We can open and close a

1 remote disconnect switch. We can download load profile
2 reads. Things of that nature.

3 Q. Thank you.

4 So I have then a clarification -- clarification
5 question.

6 So I didn't submit an exhibit, but if you Google
7 it, the AMR -- the difference between AMR and AMI meters.

8 So AMR meters, the one with communication is
9 where PSE basically, right, can communicate with the
10 meter, but the actual profile data can also -- only be
11 downloaded by actual technician. He doesn't have to be,
12 like, a manually load the profile. But he can, from the
13 car, having the tools, whatever they need, export the
14 profile data.

15 Versus AMI, where it's two-way communication.
16 PSE communicates with the meter; the meter communicates
17 with the PSE.

18 Is that would be a correct statement because I'm
19 a little bit confused?

20 A. So when it comes to AMR, our -- the information
21 that could be sent over the AMR network was fairly
22 limited. And this was limited to energy register reads
23 only. There wasn't any load profile data sent over the
24 AMR network. So you can think of this as daily reads
25 that are going through.

1 Q. Well, just a quick note, as I said, this is what
2 I've learned so there is no really -- I couldn't find any
3 documentation about such thing like an AMR network. Just
4 because considering that it's a one-way communication,
5 the AMR data needs to be actually manually downloaded
6 either with manually or with the specific tools that they
7 can communicate with the meter if the technician is close
8 to AMR meters.

9 So, again, I'm not -- I don't really understand
10 this conversation about AMR when they are not even
11 designed to transfer the data into PSE. Versus AMI when
12 we switched, yes, then we have those interval ---
13 interval readings that we can download from PSE account,
14 et cetera.

15 So the -- another question, let's --

16 MR. STARKEY: Your Honor, I'm going to have to
17 object to that line. That was -- Ms. Argunov was
18 testifying there. There was no question.

19 MS. ARGUNOV: Okay.

20 JUDGE HOWARD: Yes. Ms. Argunov, I -- I will
21 grant that objection. We want to be careful to -- you
22 will want to be careful to limit yourself to posing
23 questions to Mr. Hagan.

24 MS. ARGUNOV: Okay.

25 JUDGE HOWARD: And I'm going to give -- this

1 is a technical subject, of course. So I understand if
2 you need to refer to something and preface your question
3 describing what you're talking about. But it does need
4 to end in a question.

5 MS. ARGUNOV: Okay.

6 BY MS. ARGUNOV:

7 Q. So my second question.

8 Going back to conversation about AMI system
9 overview and L+G system that PSE is using.

10 So would you please explain why PSE have not
11 used the module called "MDUS"? That, according to
12 Exhibit 37, is a platform and served as a breach between
13 meters and billing processes?

14 A. Unfortunately, I am not the proper witness to
15 ask with regards to this module. I would refer you to
16 Allison Sains.

17 Q. Okay. I'll notate it.

18 Quick question about the VEE process. Would
19 that be you who can answer?

20 A. Unfortunately, no. When it comes to VEE, that
21 would either be Allison Sains or Kristina McClenahan.

22 Q. Okay. So from your testimony, it looks like you
23 stated that you're responsible for the integrity, meaning
24 you're in charge of accuracy in meter reads, interval, et
25 cetera, correct?

1 A. More on the meter side of it, not on the back
2 end. MDMS or SAP end of it.

3 MS. ARGUNOV: So I'm not sure, Your Honor, if
4 you would allow it, because I wanted to present the
5 discrepancies between interval data and meter reads. And
6 ask Mr. Hagan how he would explain where the differences
7 are coming from. But I'm not sure if it's possible. So
8 let me know.

9 JUDGE HOWARD: Well, if you'd like to ask
10 Mr. Hagan about a specific exhibit --

11 MS. ARGUNOV: Yeah.

12 JUDGE HOWARD: -- you can certainly attempt to
13 do that. I'm not -- I'm not going to -- I'm not sure if
14 Mr. Hagan is personally familiar with all of the exhibits
15 in the record. So sometimes this can get a little -- we
16 have to see what the witness is actually familiar with.

17 MS. ARGUNOV: Well, this is just multiple --
18 me, as a customer, asking for data integrity in general.
19 So let me share my screen.

20 BY MS. ARGUNOV:

21 Q. So all this data, it's combined together from
22 Exhibit EACCH-41. It's combined data for all four
23 accounts including meter reads, MDMS and interval, plus
24 billing summary.

25 So my big concern -- and I wanted to ask

1 Mr. Hagan how he would explain that is that we have such
2 big differences between meter, or MDMS what they call it,
3 billing totals and intervals. So when I -- when it says
4 to me that AMI system is transparency between company and
5 between customers and they can, you know, know what they
6 -- what their daily consumption or monthly consumption.

7 So when I look at all four accounts, so I see
8 the totals for interval for the -- the whole period of
9 time starting 2020 through 2023, it's 108,000 kilowatt
10 hours.

11 When I look at meter reads, I see 172,000. When
12 I pull the billing summary -- and this, again, is for all
13 four accounts, it's 209,000 kilowatt hours.

14 So you, as a person that as you stated, you in
15 charge of data integrity and accuracy, how I'm as a
16 customer, looking at those numbers, can verify that where
17 is the truth? Which one -- which source is correct?

18 Because, to me, the difference is too large.
19 It's not a couple hundred kilowatt hours. We're talking
20 about almost 40-, closer to 50,000 kilowatt hours'
21 difference.

22 MR. STARKEY: Your Honor, two points.

23 One, that is not an objection. I know
24 Ms. Argunov referred to an exhibit. Just said that she
25 was sharing her screen, but we cannot see that. While we

1 can make the exhibits available to PSE witnesses, I
2 wanted to note that.

3 And, two, I do have an objection to that line of
4 questioning. That was argumentative. And we can contend
5 that Ms. Argunov was testifying there rather than setting
6 up a question.

7 JUDGE HOWARD: Well, Ms. Argunov, we -- we
8 can't see your screen right now.

9 Are you intending to share?

10 MS. ARGUNOV: Yes. I will -- oh, I'm so
11 sorry.

12 JUDGE HOWARD: No, no, that's fine.

13 Are you intending to share Exhibit 41C?

14 MS. ARGUNOV: Yes. As I e-mailed you a couple
15 days ago, so this is from Exhibit 41C, a combined data of
16 all four accounts. So this is the meter read which is
17 one, showing 174,000 kilowatt. This is the billing
18 summary, showing 209 kilowatt -- 209,000 kilowatt. And
19 this is all our intervals, right, which is 118,000
20 kilowatt hours.

21 BY MS. ARGUNOV:

22 Q. So my question is, so if we even add up the AMR
23 values, right, so there is still a difference of almost
24 40,000 kilowatt hours between meter reads and kilowatt
25 hours usage per billing summary.

1 So how can -- again, my question to Mr. Hagan,
2 seeing those differences, how we can be sure and rely on
3 PSE calculations if there is such huge discrepancies?

4 A. So I am not the proper person to be asking this
5 line of questioning to. I would refer that to either
6 Allison Sains or Kristina McClenahan.

7 Q. Okay. Let me see. Okay.

8 So going back to your testimony on page 6,
9 Exhibit 1H-1T?

10 JUDGE HOWARD: Ms. Argunov, you may -- if
11 you're done with this for now, you may want to stop
12 sharing your screen.

13 MS. ARGUNOV: Stop sharing. Just give me a
14 second.

15 BY MS. ARGUNOV:

16 Q. Okay. I would like to go back again to AMR and
17 NCR meters also. So you stated in this exhibit that
18 there is an option to load the profile data. Does it
19 mean that PSE technician still has the ability to load
20 daily usage from NCR meter as well, noncommunicating
21 meter?

22 A. I apologize. Which page is this?

23 Q. Number 6 where -- where you're talking about AMR
24 and NCR -- NCR meters. Just give me a second. I'll find
25 the rows.

1 Excuse me, page No. 8.

2 So row 6 through 14, when you're explaining the
3 noncommunicating meters not equipped with a remote
4 disconnect switch and must be disconnected manually. And
5 then you're talking about collection of the data from
6 noncommunicating meters.

7 A. Yes. So when it comes to collection of the data
8 from the noncommunicating meters, the meter readers
9 primarily go to the site and they take the read off of
10 the display.

11 However, there is an option to download the
12 meter -- download the low-profile data from the meter, if
13 necessary.

14 Q. So meaning, profile data meaning the daily
15 usage, right?

16 A. Load profile is what you would refer to -- what
17 I believe you referred to as the interval data.

18 Q. Yes. Okay. Thank you.

19 THE REPORTER: Excuse me. This is the
20 reporter.

21 Are you saying "load" or "low"?

22 THE WITNESS: Oh, load.

23 MS. ARGUNOV: Load.

24 THE REPORTER: With a D?

25 THE WITNESS: With a D, yes.

1 THE REPORTER: Thank you.

2 MS. ARGUNOV: Okay. Well, I guess the rest of
3 the question will have to go to Ms. Sains and
4 Ms. McClenahan.

5 JUDGE HOWARD: Okay. Mr. Starkey, was there
6 any redirect?

7 MR. STARKEY: Yes, Your Honor. Two really
8 short questions.

9 REDIRECT EXAMINATION

10 BY MR. STARKEY:

11 Q. Mr. Hagan, Ms. Argunov was asking about the
12 difference between the AMR and the AMI meters.

13 And is the AMI network -- or is one next work
14 more reliable than another when it comes to those meters?

15 A. Yes. The AMI network is more reliable than the
16 AMR network.

17 Q. And when those meters are measuring energy, what
18 unit of energy are both meters measuring for purposes of
19 billing?

20 A. Kilowatt hours.

21 MR. STARKEY: Thank you. Nothing further,
22 Your Honor.

23 JUDGE HOWARD: All right. Thank you.

24 I think that it might be a good time before we
25 begin with our next witness, would be Allison Sains, that

1 we take, let's say, a 10- or 15-minute break. Let's say
2 a ten-minute midmorning break. And let's resume here at
3 10:48 a.m.

4 And, Mr. Hagan, thank you for your testimony
5 today. You would be excused from the rest of the
6 hearing.

7 THE WITNESS: Thank you, Your Honor.

8 JUDGE HOWARD: All right. We are off the
9 record.

10 (A break was taken from
11 10:38 a.m. to 10:50 a.m.)

12 JUDGE HOWARD: Let's be on the record. We're
13 returning after our midmorning break.

14 Our next witness is PSE's Allison Sains. Am I
15 saying your last name correctly?

16 THE WITNESS: Yes, you are.

17 JUDGE HOWARD: Okay. Great.

18 If you would please raise your right hand and
19 I'll swear you in.

20 * * * * *

21 Allison Sains, having been first duly sworn, was
22 examined and testified as follows:

23 THE WITNESS: I do, Your Honor.

24 JUDGE HOWARD: All right. Thank you.

25 Ms. Argunov, you indicated cross for this

1 witness.

2 You may proceed.

3 CROSS-EXAMINATION

4 BY MS. ARGUNOV:

5 Q. Good morning, Ms. Sains. So not to confuse
6 between witnesses, so would you mind describing your area
7 of expertise?

8 A. So I support PSE's meter data management system.

9 Q. Okay. So my first question will be going back
10 to Exhibit EACCH-30. And I will share my screen this
11 time.

12 So this is a specification for FOCUS AX meters.
13 And it describes the display options along with type of
14 billings that this meter supports.

15 So it looks like it's -- it was mentioned here.
16 So there are two options, time of use and demand billing.

17 Which -- which one is PSE the one is using, time
18 of use or demand?

19 A. So I am not an expert in the meter
20 configuration. But we are not using either time of use
21 nor demand billing at PSE.

22 Q. So I'm very confused.

23 So you said that your expertise is MDMS module.
24 And this is part of the billing. So should I ask, then,
25 later Ms. McClenahan?

1 A. Well, the FOCUS AX is the actual meter model
2 itself. And that would -- questions about the meter
3 itself would be for Mr. Ian Hagan.

4 Q. Well, it's not about meter configuration.

5 What I'm asking is what PSE is using for
6 billing. There are two options according to the
7 description. It's time of use or demand billing.

8 So which one you're -- when you're talking MDMS,
9 which one you're talking about, time of use or demand?

10 A. Well, when I read -- when I look at this
11 document, those are display options on the meter itself
12 and not talking about how PSE carries out its billing in
13 the SAP or MDMS.

14 Q. Okay.

15 A. It's specific to the meter display.

16 Q. Okay. Then that would be my next question.

17 So in the several testimonies from -- in your
18 testimony as well as Ms. McClenahan, you were -- you were
19 referencing to L+G platform. And the -- I was -- in one
20 of the testimonies, there was a link.

21 So I followed the link -- and on the first page,
22 so what I notice is that the billing order. And I notice
23 the -- this thing which called MDUS.

24 So from my understanding, PSE is not using this
25 module at all, MDUS. Is that a correct statement?

1 MR. STARKEY: Your Honor, I'm going to object
2 to this. I'm not sure what Ms. Argunov is sharing, or if
3 this is an exhibit submitted in -- a cross exhibit. I
4 would object to that.

5 MS. ARGUNOV: This was a link in Ms. -- let me
6 see. It was a link provided in Exhibit KM-1CT, page 6.
7 So I followed this link.

8 JUDGE HOWARD: All right. One moment. Let me
9 catch up.

10 Mr. Starkey, are you able to -- my browser is a
11 little slow at the moment. Are you able to confirm that
12 this is the link from your witness's testimony? Because
13 I'm wondering if it would be appropriate to take official
14 notice of this technical standard.

15 MR. STARKEY: Yeah, Your Honor. I think it's
16 from -- I don't know if this is from Ms. Sains or if it's
17 from Ms. McClenahan.

18 JUDGE HOWARD: Yes. I believe it's -- it is
19 from McClenahan, KM-1CT, page 6.

20 MR. STARKEY: Then, yes, that does appear to
21 be correct.

22 JUDGE HOWARD: All right. Great.
23 You may proceed, Ms. Argunov.

24 MR. JOHNSON: I'm sorry, Your Honor. Is
25 Mr. Starkey withdrawing his objection to Ms. Argunov's

1 statement? Or is he -- is he confirming this is an
2 accurate document? I'm making sure because he did object
3 to the submission.

4 JUDGE HOWARD: Mr. Starkey, do you -- do you
5 have any continued objection to her displaying this
6 document?

7 MR. STARKEY: We might have other objections.
8 I'll object to foundation.

9 But I'll let Ms. Argunov ask her question.

10 JUDGE HOWARD: All right. Thank you.

11 BY MS. ARGUNOV:

12 Q. So my question was because I -- in any of --
13 I -- in any of testimonies, I haven't heard any reference
14 to this particular model, MDUS. And this is the module
15 that processing data for further billing.

16 So I -- I see in multiple testimonies reference
17 to L+G software. I saw MDMS. But I didn't see any
18 reference to MDUS.

19 Which is, according to Exhibit EA-37 -- just let
20 me put -- okay. So this is the Exhibit EACCH-37 where it
21 says that Landis+Gyr is the premier smart metering
22 solution. And together with SAP, we have developed a
23 solution that acts as a bridge between smart metering and
24 the SAP for utility systems.

25 So my question is why PSE is always referencing

1 MDMS which is not even designed for interval processing
2 but doesn't use the MDUS instead?

3 A. So MDUS stands for meter data unification and
4 synchronization. It is a tool, a standard Landis+Gyr
5 tool, or application, that allows the exchange of data
6 between an SAP and a meter data management system.

7 When PSE implemented their MDMS system, the
8 Landis+Gyr MDUS was not yet available. So we built all
9 of those interfaces in-house. There's no need for us to
10 replace those standard -- in-house built interfaces with
11 this standard application.

12 It is just to exchange, or as they say, bridge
13 data between the two systems.

14 Q. So just to confirm that I understand it
15 correctly.

16 So PSE are the ones who developed their own
17 tool, right, for the billing, basically?

18 A. To exchange data between Landis+Gyr MDMS and
19 SAP, correct.

20 Q. So then that would be another question.

21 So in -- and this is the Exhibit EACCH-2.1.

22 So this is a capture from SAP website. They
23 call it real-time pricing. Oracle call it interval
24 billing in the description. Of the meter that I showed
25 before, it's called demand billing.

1 So all -- both systems, largest ERP system, I
2 would say, they have separate modules for processing
3 interval data and handing it off to billing. And as you
4 can see, this document was printed in January 6th. But
5 I -- it's been there for a while now.

6 So my question is if SAP states that the billing
7 of interval-related data profiles is called real-time
8 pricing billing -- so this is something that is required
9 as well, as I mentioned, in a -- my overview. So all
10 interval data-related profiles are subject to separate
11 billing process and calculations.

12 So, again, I'm going back to my question is that
13 why PSE chose to recreate something by themselves
14 disregarding the actual requirements of their own system,
15 basically, their PC system that they're working with?

16 A. Is the question about why we're not using MDUS?

17 Q. The question if you're -- if you said that it
18 wasn't available at that time, why you didn't use the one
19 that are available in SAP?

20 A. So, again --

21 Q. Because it's a requirement.

22 A. So MDUS is not a requirement of exchanging data
23 between an MDMS system and SAP. It is just a -- an
24 application you can purchase so you don't have to build
25 it in in-house.

1 Again, we had already built our interfaces
2 in-house. So there was no need to purchase another
3 application to exchange that data.

4 We are not using interval data for billing in
5 any way. So this document, that RTP billing does not
6 apply to us. We are not using interval billing.

7 Q. But this is the link that I was provided, right?
8 This is what I was -- this is what you guys were
9 referring to, right?

10 And if you go into the chapter of quantity
11 determination, right, so it clearly states where they
12 talk about a quantity determination during period that
13 these -- this processes, they are relevant for discrete
14 measurement data.

15 So as I stated, I don't know, were you
16 present -- I can reshare. Just give me a sec.

17 Let me see if I can -- so it might be another
18 requirement to use particular platform which is MDUS.
19 But, again, according to U.S. Department of Energy, the
20 consumption on 5-, 15-, 30-, 60-minute intervals, they
21 are subject to communicating back to customers for
22 billing, energy feedback, and time-based rates.

23 Also SAP documentation also references -- and I
24 have it in my -- in my exhibits where the real time --
25 all interval related -- and it clearly states here that

1 all interval-related data profiles are subject to
2 specific module.

3 So if you didn't use the MDUS, or if you're not
4 using the SAP, which they require, so you -- the PSE was
5 supposed to mirror at least whatever requirements SAP has
6 for their billing. Because my -- because I'm not quite
7 sure so -- because it was PSE choice not to use any of
8 the required platforms, either from L+G or SAP. So you
9 guys created your own and it causes the problem.

10 So I'm just trying to understand where the
11 disconnect is.

12 So if you could, again --

13 MR. STARKEY: Your Honor --

14 BY MS. ARGUNOV:

15 Q. -- clarify why you didn't use the real-time
16 price -- billing pricing for SAP. This is a module that
17 was there for a long time.

18 MR. STARKEY: Your Honor, I'm going to object
19 to that line of questioning as testifying.

20 I'm also going to object to the grounds that --
21 foundation.

22 And I also want to object to the use of compound
23 question.

24 JUDGE HOWARD: Yes. And I will -- I will
25 grant those objections.

1 Ms. Argunov, again, I do recognize this is a
2 technical matter. I would encourage you to try to pose
3 specific, discrete questions to Ms. Sains.

4 And if you're going to share a different exhibit
5 on your screen, like a moment ago you were sharing
6 EACCH-7, just kind of verbally say what you're sharing so
7 the court reporter can note it and then ask your specific
8 question.

9 MS. ARGUNOV: Okay. So I'll rephrase.

10 BY MS. ARGUNOV:

11 Q. Again, my question is if PSE, major ERP system
12 required a specific module for all interval-related data,
13 why PSE doesn't use it -- doesn't use it?

14 A. Interval billing is not a requirement of a -- an
15 AMI meter. This describes real-time pricing. We are not
16 using that functionality in SAP.

17 Q. When you say the real time pricing, can you
18 define what real pricing is?

19 A. So I'm not here to testify to SAP functionality.
20 I would have to defer to Kristina McClenahan on SAP
21 functionality.

22 Q. Okay. Thank you.

23 So question, Ms. Sains, about the discrepancies
24 between interval usage values and meter reads.

25 Should I ask this question to Ms. McClenahan or

1 you -- you will be able to answer it?

2 A. I -- can you repeat the question? I'm not sure.

3 Q. If I wanted to present the discrepancy for a
4 particular billing period, the one that I discovered
5 between interval readings and billing summary and meter
6 reads, so would that be okay to ask you this question to
7 try and explain the discrepancy?

8 Or it's better to address it to Ms. McClenahan?

9 A. So I can speak to the interval and daily data
10 stored in our MDMS system. And I can speak to what was
11 sent to the SAP system.

12 Q. Okay. Well, let's try -- so, again, I wanted to
13 share the screen.

14 So all the data is taken from Exhibit 41C, all
15 four accounts. Meter reads, interval, MDMS, and billing
16 summary.

17 So, Ms. Sains, there was a couple billings
18 charged to -- large amounts were charged to my account.
19 So I took the billing range for meter reads to make sure
20 I compare like apples to apples, right? And this is what
21 I'm seeing.

22 So according to meter read, daily meter read,
23 the total for this particular billing period, which is
24 from December 16th, 2029 to February 10, 2022, the total
25 usage -- daily usage was 19 -- 1,900, right? I'm looking

1 at the interval and daily and it's 29.

2 However, looking at the billing, the same period
3 of time, everything is the same, it is 8,300.

4 So my question is how would you explain those
5 huge discrepancies between meter reads, intervals, and
6 billing?

7 A. So Landis+Gyr had a network issue in this area
8 during that time frame. And MDMS was not receiving all
9 of the reads on the meters during that period of time.

10 So when you're looking at the daily cumulative
11 usage, you can see there are days where information is
12 missed. We were also receiving partial interval reads
13 for those days. That's why you have some values for
14 intervals.

15 When you sum those up, there's data missing. So
16 they will not reconcile.

17 The billing summary was based on the
18 point-in-time cumulative billing reads. So that is just
19 the billing read minus the prior billing read to
20 determine your billing usage.

21 Q. So I wanted to go back to AMI system benefits,
22 right, where it says that we, customer, can keep track of
23 their daily usage and everything.

24 So in this particular scenario -- and I'm really
25 trying to understand.

1 So how would I know which -- which values are
2 correct? Because I don't have -- I don't have any
3 reports. And I tried to figure out if PSE has any. So I
4 don't have any reports showing the validation estimation
5 process that was applied to both sides of -- because
6 meter read and interval data are coming from the same
7 source, which is smart meter. They are not different.

8 The problem is that there is no consolidated
9 system that would reconcile those values, right? So, to
10 me, looking at this, my actual usage was 2,900, and I was
11 billed for 8,300.

12 So how would I reconcile that? How the PSE
13 customer will be able to obtain the data?

14 A. So your billing statement would have the
15 cumulative reads and dates that it used to determine your
16 billing usage. From this data, when there's data not
17 received from the meter, you won't be able to sum up what
18 those cumulative daily values are. You would have to
19 refer to just those -- the point-in-time read for your
20 bill.

21 Q. Thank you.

22 My next question would be about estimations.

23 Is this something that it's okay to address with
24 you?

25 Or you would like me to ask this question of

1 Ms. McClenahan?

2 A. I can speak to the estimations that are
3 completed in MDMS via the VEE process.

4 Q. Okay. Let me -- let me just bring this up. In
5 a moment I will be presenting Exhibit EACCH-4.

6 So this -- that happened already after VEE
7 because these are summaries of the billing statements for
8 Groesbecks' account. So the data was requested from PSE,
9 right? And I was looking into their accounts.

10 So it says that estimation formula based --
11 formula based on previous month's consumption.

12 So the previous month's consumption. So I --
13 first of all, there is no previous month consumption.

14 And then I tried to see where those estimations
15 could possibly come from. So the averages, daily
16 averages, would not come even close to 108.71.

17 So my question, going back to estimation rules,
18 how the estimation rules work. And -- because in this
19 particular case, it says "previous month." There was no
20 previous months, right?

21 So -- and then, actually, those charges were
22 charged in August of 2022, right? So we're talking
23 about, like, seven, eight months apart.

24 So how is it that this note stating that it was
25 based on previous months -- and I cannot find previous

1 months, number one. And even if I look the previous
2 months in 2022, so I cannot find the average of 108
3 kilowatt hours anyways -- anywhere.

4 So where those numbers could possibly come from?

5 A. So this appears to be from the SAP billing
6 statements. And I can't speak to that information.
7 Kristina or Stacey -- Stacey Halsen would be able to talk
8 to these numbers.

9 Q. Okay. Ms. Sains, VEE, validation estimation and
10 editing process, is mandatory to all profile data at
11 least?

12 A. We run VEE processes against our daily and our
13 interval reads in MDMS.

14 Q. Mm-hmm. So going back to 41C and MDMS reads,
15 right? So if I look -- let me unfilter the filters.

16 So when I look at my account, right -- wrong
17 page.

18 So when I'm looking at my account and I see that
19 a value -- and this is actually in meter read, neither in
20 MDMS or meter read in the daily does not request. I just
21 add that because I -- I wanted to see what's going to be
22 the total of kilowatt hours.

23 So when I look at MDMS readings, all I see is a
24 cumulative of 32,000 kilowatt hours. There is no
25 daily -- there is no records of it.

1 So would that be correct statement if I say that
2 none of the old -- all of those daily -- daily reads that
3 are including -- included into this 32,000, went through
4 a validation check? Would that be correct statement?

5 A. MDMS did not receive that information. So it
6 couldn't run VEE on something it didn't have.

7 Q. So if you say that -- in general the VEE process
8 is mandatory. So why -- how PSE can validate with the
9 amount that was billed to me without validation process
10 for those records?

11 A. So when reads are received by the meters, the
12 VEE process isn't -- you know, reads are assumed to be
13 good unless they aren't in line with other information.

14 Primarily what we're doing is we're filling in
15 gaps when reads are not received. You know, it's
16 validation estimating and editing so that editing is
17 putting in those estimation values.

18 Q. So --

19 A. If the meter recorded the information, then it's
20 good.

21 Q. It's good.

22 Well, I -- about being it's good, we don't know,
23 right, because it didn't go through the validation
24 process. So we don't really know if it's good or not,
25 correct?

1 A. I have no reason to doubt the meter. I believe
2 it was tested. At some point the meters went through
3 testing.

4 Q. Well, do you -- do you have, like, any
5 statistical energy consumption around Washington state?

6 Like what would be the average per household per
7 month, the kilowatt hours?

8 A. That's not -- yeah. That's not information that
9 I have.

10 Q. So I wanted to present Exhibit 9C. EACCH-9C.
11 Sorry. My laptop is syncing.

12 MR. JOHNSON: Your Honor, while Ms. Argunov is
13 looking for that information, can I chime in with a quick
14 question.

15 JUDGE HOWARD: Mr. Johnson, the parties did
16 have an opportunity to indicate their plan for cross
17 time.

18 MR. JOHNSON: Okay.

19 JUDGE HOWARD: So I would be hesitant to allow
20 that.

21 MR. JOHNSON: Thank you.

22 BY MS. ARGUNOV:

23 Q. I'm trying to find the part with the -- when UTC
24 was allowing the rate increase where they were talking
25 about average Washington usage kilowatt hours per month.

1 And I'm sorry, I couldn't find -- but I will find it.

2 But it -- it's on UTC website as well.

3 So the average consumption per household, it's
4 about 843 kilowatt hours.

5 So my question is seeing this amount of 32,000
6 kilowatt hours -- and it's less than the year which makes
7 it almost 2,700 per month -- so knowing that we lived in
8 trailer, used propane as a main source of heating, do you
9 think from your perspective, 2,700 kilowatt hours per
10 month, this is something that could actually happen while
11 we were not even living in the house?

12 A. So I'm not an expert in the average usage for
13 homes and trailers in the Cle Elum area. I would expect,
14 due to weather conditions, it would be higher than
15 average.

16 Q. So agree about the weather conditions.

17 But you -- I also wanted to point it out that
18 90 percent of Cle Elum residents, they do not use
19 electronic heaters or anything. They use wooden stoves
20 or propane. So we lived in our trailer using propane as
21 a main source of heating.

22 And to me, 2,700 is not even close to what it
23 might be -- what it should be -- what it should have
24 been.

25 So this is why I was asking you about 32,000

1 kilowatt hours that were billed to my account without
2 even proper VEE validation process.

3 So is there any other investigation that was
4 conducted when I addressed those billing issues with PSE?

5 MR. STARKEY: Your Honor, I am going to object
6 to this line of questioning as testifying.

7 JUDGE HOWARD: Yes.

8 Ms. Argunov, there was a fair amount of
9 testimony preceding that question.

10 MS. ARGUNOV: Okay.

11 JUDGE HOWARD: And I've -- I've noticed that
12 in a few of your preceding questions as well, and I
13 haven't commented on it. But I cannot consider that
14 testimony preceding your question.

15 MS. ARGUNOV: Okay.

16 JUDGE HOWARD: I'm also a little concerned at
17 this point that the witness might not be -- that there
18 might be a -- what we call a foundation issue. The
19 witness might not be familiar with these issues you're
20 talking about.

21 MS. ARGUNOV: Okay. Well, this is what I'm
22 trying to understand because I already asked questions
23 about Mr. Hagan. He asked me to ask those questions to
24 Ms. Sains.

25 Now I'm asking those questions to Ms. Sains and

1 now I -- so I'm trying -- I'm a little bit confused on
2 who I can ask those questions right now at this point,
3 you know. Because so far it's -- it's very challenging.

4 In general, for example, Mr. Hagan, right, he
5 has -- from his testimony -- this is why I asked those
6 questions because he said that he was responsible for
7 data integrity, MDMS, et cetera, and interval readings.
8 And my questions were two words, those systems. But then
9 I was -- then I was told to ask Ms. Sains those
10 questions.

11 So my concern is that is there any witness, so I
12 won't waste anyone's time, that I can ask all of these
13 questions and who is comfortable to answer them?

14 JUDGE HOWARD: Well, I certainly see that -- I
15 mean, this is a -- you know, this is a multifaceted
16 issue. As I understood Mr. Hagan's testimony was
17 primarily focused on the meters themselves. And
18 Ms. Sains and the other witnesses were more focused on
19 the later processes for how that data is processed.

20 But your last question of Ms. Sains was about
21 your actual energy usage and comparing that to statewide
22 averages.

23 So I do feel we are going from topic to topic a
24 little bit.

25 BY MS. ARGUNOV:

1 Q. Okay. Well, the -- my initial question was if I
2 see this lump sum cumulative in MDMS and don't see daily,
3 my ultimate question was does it -- if it's correct
4 statement, does it mean that none of the daily usage went
5 through the validation process?

6 So if we could confirm that, that would be
7 great.

8 A. So MDMS did not receive daily reads from the AMR
9 meter. So we could not run VEE against data we did not
10 receive.

11 MS. ARGUNOV: Okay. Perfect. Thank you very
12 much.

13 Thank you. That was my last question.

14 JUDGE HOWARD: All right. Thank you.

15 Mr. Starkey, any redirect?

16 MR. STARKEY: Yes, Your Honor. Three very
17 brief questions.

18 JUDGE HOWARD: All right. Ms. Argunov, could
19 you stop sharing your screen?

20 MS. ARGUNOV: Yes. Sorry.

21 JUDGE HOWARD: Thank you. It's all right.

22 MS. ARGUNOV: I have three screens I'm trying
23 to navigate as soon as I can.

24 REDIRECT EXAMINATION

25 BY MR. STARKEY:

1 Q. Ms. Sains, you mentioned earlier about not using
2 demand.

3 Could you clarify, is that for these customers
4 or just for customers in general?

5 A. So for residential customers, we do not use
6 demand reads for billing.

7 Q. Great. And does PSE use real-time pricing, or
8 interval pricing, for these customers or residential
9 customers like them?

10 A. No. We only use the cumulative daily reads.

11 Q. And could you explain what a point-in-time read
12 is and how that relates to a billing customer?

13 A. So each billing cycle has a billing day and a
14 month. There's 21 different cycles. And we will go --
15 we will get a read -- a daily read most closely aligned
16 with the date that that cycle should be billed.

17 And so that day is what we use the read for.
18 And -- and then the prior read would be from the prior
19 cycle that was billed. And those two -- the difference
20 between those two is that customer's usage for billing.

21 Q. I apologize. I'm going to go over because I
22 want to clarify something there.

23 When -- does that read, does it just spit out
24 2,100 kilowatt hours? Or how are you -- how do you get
25 to that difference?

1 A. So an MDMS, it's the -- the cumulative read that
2 we're using. It's like a car odometer. It's tracking
3 that total off from the meter. And so that total number
4 minus the number that was used in the prior month, the
5 difference between those two is your usage.

6 Q. And that total number, what unit of measurement
7 is that in?

8 A. It's in kilowatt hours.

9 MR. STARKEY: Thank you. That's all I have.
10 Nothing further, Your Honor.

11 JUDGE HOWARD: All right. Thank you,
12 Ms. Sains, for your testimony today. And you would be
13 excused from the rest of the hearing.

14 Our next witness -- and sorry, again, for my
15 horse voice here -- our next witness would be Kristina
16 McClenahan.

17 MS. ARGUNOV: Your Honor, can I ask for
18 five-minute break, please?

19 JUDGE HOWARD: Yes. Certainly.

20 MS. ARGUNOV: Thank you.

21 JUDGE HOWARD: Let's go off the record. And
22 so we are off the record, and we'll go back on in five
23 minutes.

24 (A break was taken from
25 11:29 a.m. to 11:36 a.m.)

1 JUDGE HOWARD: All right. Let's be back on
2 the record.

3 We're returning after a five-minute break.

4 Our next witness is Kristina McClenahan.

5 I see you are -- I see your camera feed. Could
6 you please raise your right hand and I'll swear you in?

7 * * * * *

8 Kristina McClenahan, having been first duly sworn,
9 was examined and testified as follows:

10 THE WITNESS: I do, Your Honor.

11 JUDGE HOWARD: All right. Thank you.

12 And, Ms. Argunov, you may proceed.

13 CROSS-EXAMINATION

14 BY MS. ARGUNOV:

15 Q. Hello, Ms. McClenahan. Good morning -- we're
16 still morning, right? Good morning.

17 So I wanted to go back through your testimony,
18 Exhibit KM-1CT and that link that you provided in that
19 testimony.

20 So let me reshare my screen really quick.

21 So this is the link that I followed, right, and
22 so I'm looking at this screen. And as Ms. Sains already
23 mentioned, right, so it looks like PSE doesn't use the
24 module MDUS that potentially feeds data for billing
25 processes. Is that correct statement?

1 A. If you're sharing your screen, I'm not seeing
2 anything yet.

3 Q. Oh, I'm sorry.

4 A. Thank you.

5 Q. So this is, in general, describing the billing
6 process, right? Where the output and there is a module
7 that it's mentioned in a couple steps here, MDUS.

8 So Ms. Sains says that PSE does not use this
9 current module, right?

10 A. That is correct. These are different options
11 that SAP has available because they do have a very
12 flexible system.

13 Q. Okay. So go -- I wanted to share this again.
14 So going back to real-time pricing.

15 So in SAP documentation, it says that the
16 billing of interval-related data, which our AMI meters
17 are, is subject to separate module and they have a
18 separate process before it goes to -- let me -- before it
19 goes to -- let me -- before it goes to IS-USAP module.

20 So my question is why PSE does not use the
21 real-time pricing billing?

22 A. PSE does not bill on interval data or use
23 real-time pricing for billing purposes.

24 Q. Well, that's where I think a little bit of
25 disconnect. Because as I stated in my prefiled

1 testimonies, and as stated in U.S. Department of Energy.
2 So when you have an AMI meter -- and I can read this -- I
3 already read it, but I can read it again.

4 So the core element of AMI is smart meters which
5 provide a number of functions, including measuring
6 customer electricity consumption at 5, 15, 30, and
7 60 minutes, measuring voltage levels and monitoring the
8 on/off status of electric service. Smart meters
9 communication these readings to utilities for
10 processing -- - for processing analysis and communication
11 back to customers for billing.

12 So this is something that we -- we know for a
13 fact. So it is interval-related data.

14 The meter readings and interval data, if it
15 was -- it would be properly used, supposed to match one
16 to another.

17 So in SAP in Oracle, they both have similar
18 modules for interval-related data. Our AMI meters, they
19 read data in 15-minute intervals.

20 So my question is why PSE chooses not to bill
21 accordingly, according to the requirements of their own
22 ERP system?

23 MR. STARKEY: Your Honor, I'm going to object
24 to that line of questioning which was testifying for the
25 vast majority of it.

1 And I also would object that it's a compound
2 question.

3 JUDGE HOWARD: I -- I will grant the
4 objection.

5 I think -- you know, Ms. Argunov, it's -- we
6 have a lot of formalities that we have to follow but
7 there are reasons behind them. And perhaps we can -- we
8 can just make clear as initial starting point that you're
9 referring to Exhibit EACCH-7.

10 MS. ARGUNOV: Yes.

11 JUDGE HOWARD: And if you can try to have a
12 relatively minimal introduction to your question and just
13 pose one question at a time to the witness.

14 MS. ARGUNOV: Okay.

15 BY MS. ARGUNOV:

16 Q. So let me try to put a shorter question. Okay.
17 So I'll try to rephrase that.

18 Our AMI meters have two components, meter reads
19 and interval data. According to SAP, ERP information as
20 I shared in the exhibit before as well as AMI system or
21 overview, the interval data related is a subject for a
22 billing.

23 My question is why PSE is not using interval
24 billing -- interval data for billing?

25 A. PSE provides interval data as a courtesy to our

1 customers so they can see how they're utilizing data.

2 PSE uses SAP's standard periodic processes which
3 enables us to bill monthly or bimonthly by receiving a
4 read through MDMS. We use the start read and the ending
5 read and then we subtract them. And the difference is
6 what we bill in kilowatt hours.

7 So we utilize the standard periodic processes
8 with an SAP to bill our customers with their monthly --
9 or bimonthly kilowatt hours.

10 Q. Well, that was my question that according to
11 SAP, there is a different standard which all
12 interval-data related -- interval-related data should be
13 processed according to.

14 My question is why PSE doesn't follow the
15 requirements of this ERP system because you're using ASP,
16 correct?

17 MR. STARKEY: Objection. Your Honor, I'm
18 going to object to that as argumentative.

19 JUDGE HOWARD: I will -- I will grant the
20 objection as -- as essentially assuming facts not in
21 evidence.

22 Ms. Argunov, perhaps -- perhaps we can pose this
23 question of why without -- without asserting -- if we
24 haven't already established it through another question,
25 without asserting that PSE has failed to comply with some

1 sort of specific standard. Maybe ask why they're not
2 doing what you think they should be doing.

3 BY MS. ARGUNOV:

4 Q. Okay. So why PSE doesn't use the real-time
5 price billing where it says that the interval-related
6 data is subject to specific module in SAP?

7 A. So SAP is a very flexible system. It enables
8 lots of different options for utility companies. PSE
9 does not use real-time billing or real-time pricing at
10 this time.

11 Q. Okay. So the AMI meters do read and transfer
12 the data into meter reads and interval profile data in
13 intervals, right, 15-minute intervals, correct?

14 A. I'm not an expert on how our meters read or
15 process that data.

16 However, my understanding is the interval data
17 is used as a courtesy for our customers and is not
18 transmitted to SAP. It is not transmitted to SAP for any
19 billing purposes as we do not bill interval data.

20 Q. Thank you. I guess I can proceed to the next
21 question.

22 Ms. Halsen -- I'm sorry. McClenahan. Okay. So
23 quick question.

24 On your testimony, exhibit -- let me just grab
25 really quick.

1 Pages 16 and 17, when you were discussing our
2 accounts, you were talking about the reasoning behind
3 very -- catch up bills, right, that's what we call it.
4 And you mentioned the COVID protocols.

5 So what was the time frame when those processed
6 calls were in effect? Could you specify the time period?

7 A. I would need to defer to Stacey Halsen as I
8 don't have the exact dates that those COVID protocols
9 were in place.

10 Q. Okay. Thank you.

11 My next question -- give me a second, please.

12 So I wanted to refer to your -- to your
13 testimony in Exhibit KM -- KM-1CT, page 15. Rows 10-15
14 through -- sorry. Hold on.

15 Yeah, page 15 rows, 12-21. Where you state that
16 if there is a validation failure, the employer will use
17 tools like meter data linked to attempt to call the meter
18 to see if they are able to receive an actual read.

19 So question about account -- Johnsons' account,
20 the one that was charged for 15,000 kilowatt hours per
21 month.

22 So there were 19 consecutive times the error on
23 the account showing -- let me see what is it called?

24 USN estimation rule error which states that it
25 is assigned when a CP has identified a meter to not have

1 a customer or disconnected.

2 So my question is how is it after 19 consecutive
3 times there were no employee from PSE that would come and
4 check this meter test -- or test it was the meter because
5 it clearly shows the error that I didn't -- I didn't even
6 see on any of our accounts.

7 MR. STARKEY: Your Honor, I'm going to object
8 to foundation on that one.

9 BY MR. STARKEY:

10 Q. I will rephrase.

11 So considering the number of consecutive errors
12 on the account where you stating in your testimony the
13 errors would result in employee review and there was no
14 such review. So why it didn't happen with Johnsons'
15 account?

16 A. These errors are specific to MDMS and are not
17 errors within SAP. And I'm not an expert in MDMS. I
18 would refer to Allison Sains' testimony around what those
19 errors mean.

20 The SAP validation, the tools and the way that
21 -- what you expressed in Exhibit KM-1CT, page 15, with my
22 response 12 through 21, is what happens within SAP once
23 we receive, or don't receive, a meter read from MDMS in
24 kilowatt hours.

25 Q. So there are different types of errors, correct,

1 that you reviewed or not reviewed by PSE Staff, correct?

2 A. I'm unclear what the question is.

3 For SAP specifically, I can speak to the
4 validations that we check. Once we receive or do not
5 receive meter reads from MDMS. There are validation
6 checks within SAP.

7 MS. ARGUNOV: Thank you. Let me just go over
8 the question really quick.

9 Yeah. I think my next question would be
10 addressed to Ms. Halsen. This is -- this was my last
11 question. Thank you.

12 JUDGE HOWARD: All right. Do we have any
13 redirect?

14 MR. STARKEY: Yes, Your Honor. One, maybe two
15 questions. I'll wait for -- - yep. Perfect. Thank you,
16 Ms. Argunov.

17 REDIRECT EXAMINATION

18 BY MR. STARKEY:

19 Q. So, Ms. McClenahan, is there a requirement that
20 PSE use interval data for billing?

21 A. There is not.

22 Q. And does PSE use real-time pricing for billing?

23 A. Not for these residential customers, no.

24 MR. STARKEY: Great. Thank you. That's all I
25 have.

1 JUDGE HOWARD: All right. That -- I would
2 like to thank you for your testimony.

3 We would next turn to -- the next witness would
4 be Stacey Halsen. We're a few minutes away from noon
5 right now. It would probably make sense to take a lunch
6 break. For a Zoom hearing, I normally take a 45-minute
7 lunch break. You know, let's -- let's go off the record.

8 (A break was taken from
9 11:53 a.m. to 12:45 p.m.)

10 JUDGE HOWARD: Let's be back on the record.
11 It's 12:46. We're returning after lunch.

12 Our next witness is Stacey Halsen. And I see
13 that her video feed is on.

14 Ms. Halsen, could you please raise your right
15 hand and I'll swear you in.

16 * * * * *

17 Stacey Halsen, having been first duly sworn, was
18 examined and testified as follows:

19 THE WITNESS: Yes, I do, Your Honor.

20 JUDGE HOWARD: All right. Thank you.

21 Ms. Argunov, you may proceed.

22 CROSS-EXAMINATION

23 BY MS. ARGUNOV:

24 Q. Hello, Ms. Halsen. So my first --

25 A. Good afternoon.

1 Q. Good afternoon.

2 My first question would be about the COVID
3 protocols time period.

4 So when was the start -- the beginning and the
5 end of the COVID protocols?

6 A. The governor's proclamation was effective
7 March 23, 2020. At that time, we went into -- actually
8 the company created a team called the COVID crisis
9 management team. And we -- based off of the governor's
10 proclamation, made decisions on how we were going to
11 follow and be in compliance with his proclamation. That
12 was effective March 24, 2020. And that proclamation
13 ended May 31, 2020.

14 Q. So May 31, 2020. Okay.

15 So in a couple testimonies, I think
16 Ms. McClenahan, and you also, were explaining the delays
17 for the catch-up bills, right, due to COVID protocols.

18 Our account didn't start until July of 2020.
19 This is where AMR meters were installed.

20 So I'm -- I still wanted to follow up with you
21 and understand that -- if I understand correctly, the
22 protocols COVID were not in effect already when the -- my
23 AMR meter was installed.

24 So what actually cost the -- the catch-up bill
25 -- to catch up for that long, almost 12 months?

1 A. Well, what actually caused the catch-up bill is
2 kind of a combination of many factors. COVID is one of
3 those meaning that during the COVID -- even during the
4 COVID protocol where we were limited to central duties,
5 we still were sending meter readers out to get actual
6 reads on the actual meter.

7 As far as the delay and certain types of work
8 due to the proclamation, even though it only lasted for
9 two months, during those two months, even one day getting
10 behind on work for a company as large of ours with a
11 service territory over a million electric customers, that
12 one day multiplied over two months, that's a lot of
13 backlog to catch up on. You have to remember back during
14 COVID, people that were getting sick, when they were
15 tested positive for COVID, they automatically had to be
16 quarantined for ten days. So you're taking people out of
17 the workforce for ten days. That puts the company even
18 further behind.

19 We did, like I said, put meter reads, actual
20 reads off of the meters themselves to get those billing
21 corrections processed. And like it was referred to
22 earlier like the true-up bills, to correct the estimates
23 that were underestimated, or overestimated, and bill for
24 the actual usage.

25 Q. Thank you.

1 My second question would be is validation,
2 estimation, and editing process.

3 Is this a mandatory step for billing -- well, I
4 would say before it goes to the billing.

5 MR. STARKEY: I'm going to -- objection to
6 foundation there, Your Honor.

7 JUDGE HOWARD: Ms. Argunov, I think the
8 objection is going to foundation which would be is the
9 witness familiar with this -- with this topic.

10 So perhaps we could ask Ms. Halsen if she's
11 familiar with this subject area first about the
12 validation I believe your question was about.

13 MS. ARGUNOV: Yes.

14 THE WITNESS: No. I do not understand your
15 question.

16 Can you rephrase that and I will see if it's
17 something that I feel I am knowledgeable in?

18 BY MS. ARGUNOV:

19 Q. I thought when I asked Ms. McClenahan, she said
20 that I can address this with Ms. Halsen, if I'm not
21 mistaken. But it's okay.

22 Ms. Halsen, on the page 2 of the Exhibit
23 SBH-1CT, you were stating that if I was right and PSE
24 quadruples our energy bills, then the customer average
25 consumption would be 200, 250 kilowatts month.

1 My question is do you have a data source showing
2 your calculations?

3 A. I'm not sure what you mean by "data source."

4 Q. Any kind of reports where -- because you stated
5 that if I would -- I was correct, the monthly usage for
6 our houses would be 200, 250 kilowatt hours.

7 So do you have something to -- or any exhibit to
8 present your calculations that you mentioned?

9 MR. STARKEY: Your Honor, I'm going to object
10 to misstating testimony. That is not what her testimony
11 states. And it applies to customers and PSE service
12 territory in general and not the specific customers here.

13 JUDGE HOWARD: Ms. Argunov, I will grant the
14 objection. I think I'm grasping the distinction that the
15 testimony was about customers in general.

16 But please feel free to pose that question about
17 customers in general because that is what she's
18 testifying.

19 MS. ARGUNOV: I'm not sure how I can rephrase
20 that. It wasn't really -- I was not talking about our
21 accounts. I was just talking about the general statement
22 where -- where Ms. Halsen stated that if I -- if I
23 would -- what I was stated would be right and they
24 quadrupling their energy bills, right, so then the
25 average consumption would be 200, 250 kilowatt hours.

1 So I was just wondering if there is any -- any
2 document that can be shared or presented so we can see
3 those calculations.

4 Because according to my calculations pertaining
5 to our four accounts, it would be different amounts which
6 is around 600 kilowatt hours.

7 This is why I was asking about this specific
8 statement.

9 JUDGE HOWARD: Certainly. I certainly -- I
10 believe -- if I'm recalling correctly, I think maybe you
11 just had used the phrase "our accounts" or something like
12 that in your original phrasing of the question.

13 But do feel free to pose a question about that
14 testimony to the witness. I think that there's maybe
15 just a word in there that made it sound like --

16 MS. ARGUNOV: Okay. I'll remove "our."

17 JUDGE HOWARD: Yeah.

18 BY MS. ARGUNOV:

19 Q. Again, on page 2 of the exhibit of the SBH-1,
20 you stated, if I was right, and PSE quadruples their
21 energy bills, then the customer average consumption would
22 be 200, 250 average kilowatt hours per month.

23 Do you have any data source showing these
24 calculations -- document, Excel format, whatever that is?

25 A. No, not that I'm aware of.

1 What -- I'm reading the testimony. And what it
2 says is the allegations that the PSE AMI meters are
3 quadrupling the kilowatt hour measurement would mean that
4 the kilowatt hour per customer would be approximately
5 200, 250 kilowatt hours. Which would be impractical --
6 practically below the average for all the utilities in
7 the state of Washington.

8 Q. And what is the average usage per customer in
9 Washington State?

10 A. Well, that varies. It depends on several
11 different factors. It depends on what the customer has
12 inside their home, where they live, what the average
13 temperatures are outside. What their individual habits
14 are, usage habits. What they keep their heat on. Their
15 hot water, how many showers they take. How much laundry
16 is being done. Whether they're washing in hot or cold.
17 It's not really possible to answer your question with a
18 definite number. There's just too much different
19 factors.

20 Q. Okay. So meaning that the statement from your
21 testimony, so how is it the numbers that you provided --
22 because you did mention the average for the customer,
23 right? So we don't really know.

24 A. If you take the 250 kilowatt hours and multiply
25 that by four, that's an average of 1,000 kilowatt hours.

1 And that's what that's based on is an average of 1,000
2 kilowatt hours per month per customer.

3 If you spread out all of our different customers
4 throughout our territory and exclude, or include, what
5 they actually have, whether they have gas, propane,
6 electric, is there heating, water heater -- heat and
7 water heater are your largest consumers. So that can
8 really affect your average price per kilowatt hour.

9 If you take all of the rates, all of the
10 residential customers, it averages out to about 1,000 per
11 month. And that's where that 250 comes from.

12 If your theory that we were quadrupling our
13 usage, our customer's usage, then that would -- to mean
14 that we're only billing an average of 200 to 250 kilowatt
15 hours per month.

16 MS. ARGUNOV: Excuse me. Your Honor, I'm not
17 a lawyer and so I really wanted to object to the --
18 because I hear all over again and, again, my theory, my
19 theory. So I think I was very clear for both -- both of
20 my testimonies that I'm not presenting my theory.

21 Instead I'm presenting this technical specifications from
22 ERP systems and other sources. So I'm just asking PSE,
23 even though it's almost the end of the meeting, just
24 avoid saying that it's my theory. It's not really a
25 theory. It's just a fact that I put out there with the

1 supporting presentation.

2 JUDGE HOWARD: Well, I see --

3 MS. ARGUNOV: I apologize.

4 JUDGE HOWARD: -- Ms. Argunov, I do see what
5 you're getting at. I won't tell the witnesses
6 necessarily to use a different word. I don't think
7 that's necessarily an argument -- an improper
8 argumentative term.

9 But I can tell you I will give all the weight --
10 the evidence the weight it deserves when I review
11 everything in light of the record.

12 MS. ARGUNOV: Okay.

13 JUDGE HOWARD: And one person saying something
14 is a theory will not -- will not control the entire case.

15 MS. ARGUNOV: Okay. Thank you very much.

16 BY MS. ARGUNOV:

17 Q. Ms. Halsen, I have a question about the
18 complaint -- informal complaint and also complaint first
19 was original with customer service that Johnsons
20 addressed with their extremely high energy bills.

21 My question is were you involved into
22 investigation of this particular account?

23 A. Yes, I was.

24 Q. And what steps were taken and when to
25 investigate the situations that the Johnsons were

1 complaining about?

2 A. When the Johnsons first contacted our customer
3 service department, our agents reviewed their usage.
4 They saw that there were no estimated reads. They were
5 all actual reads. They did offer to have the customers'
6 meter tested, and it was tested. They also offered to
7 have the customer speak to an energy advisor who can
8 better go through their home and what it is using and
9 help them find ways to reduce their electric consumption.

10 At no time during the review with the customer
11 service department, or during the informal complaint, did
12 we find anything wrong with PSE's billing of the usage or
13 our system's calculation of the usage.

14 Q. Do you remember specific details that the
15 Johnsons provided to customer service and then informal
16 complaint supporting their issues with the meter?

17 A. What do you mean by -- rephrase your question.

18 Q. The background situation. Why they thought it
19 can't be that much of a kilowatt hours charged to their
20 account.

21 A. Yes. What I recall is that saying there was no
22 electrical outlets wired inside the home. And in the
23 discovery, we were presented with communication in --
24 with the Johnsons and their contractor that talks
25 specifically about what electricity was being used in the

1 home when the permanent meter was set and when they
2 started using the electrical heat inside the home. That
3 is in the Exhibit 4. Are you familiar with that?

4 Q. Yes. I -- I read the exhibit. What was there
5 is that contractors required 65 degrees inside of the
6 house while they do the walls and everything. As I
7 stated in testimony, Johnsons did not use a furnace,
8 electrical furnace. Instead they use the heaters that
9 were connected to the temporary power. This is why they
10 actually filed the complaint because they knew that they
11 didn't use the permanent power at all. So that's why --
12 that's when they called customer service and then filed
13 an informal complaint.

14 So this is why I was asking, do you recall any
15 detail? So background of Johnsons' side of the things,
16 right? Because I read that testimony. I know what
17 you're talking about. So --

18 MR. STARKEY: Excuse me. I would like to
19 object to that line of -- that line of questioning. It
20 was argumentative. It was testifying, and it also
21 assumes facts not in evidence.

22 JUDGE HOWARD: Yes. Ms. Argunov, it's -- I
23 think what happened was the witness asked you a question
24 and you described your answer.

25 MS. ARGUNOV: Yes.

1 JUDGE HOWARD: So -- and, of course, I can't
2 consider that because I have to rely on your testimony at
3 other points when you're -- when it's essentially your
4 turn to testify.

5 So I'll grant the objection.

6 MS. ARGUNOV: Yeah. Okay.

7 BY MS. ARGUNOV:

8 Q. So, Ms. Halsen, how long was the test performed
9 for Johnsons' meter?

10 A. How long did the meter test take when the meter
11 tester was out there?

12 Q. Yeah, yeah. How much time did it take to
13 measure and test?

14 A. That's not my testimony. I think that might
15 have been part of Ian Hagan's testimony as far as how
16 long the test. I can just provide that with the data
17 provided in the informal complaint, it's just that the
18 meter was tested and found to test accurate within the
19 requirements from the WAC. And it was verified in the
20 informal complaint that the Johnsons were billed for
21 actual usage on their permanent meter.

22 Q. Were you aware of multiple -- well, 20 -- 30, to
23 be exact, consecutive different type of errors on their
24 account looking -- and if you had a chance to look at
25 their MDMS readings when you investigated their claims.

1 Sorry.

2 MR. STARKEY: I'm going to object to that on
3 foundation, Your Honor.

4 JUDGE HOWARD: I think Ms. Argunov was asking
5 if she was aware of it. I'm going to -- I'm going to
6 allow the question. She's asking if she's aware of these
7 MDUS readings.

8 THE WITNESS: Did you say MDS or MDUS, Ms.
9 Argunov?

10 MS. ARGUNOV: MDMS.

11 THE WITNESS: MDMS. Okay.

12 BY MS. ARGUNOV:

13 Q. Yes.

14 A. Okay. MDMS reads were not part of the informal
15 complaint. The informal complaint is based on the
16 billing reads. So you have an actual read at the
17 beginning of the billing period and an actual read at the
18 end of the billing period.

19 So the informal complaint -- the compliance
20 check on my end is that they were billed accurately.
21 There was no estimated usage. The usage was accurate.
22 There were no errors in the billing.

23 Q. So just to confirm, so you -- during this
24 investigation, you have not reviewed their MDMS readings,
25 correct?

1 A. It was not necessary to review the MDMS readings
2 because that is not part of the kilowatt hours billed for
3 the usage during the billing period.

4 Q. Okay. Thank you.

5 Oh, yeah. So I wanted to share with you the
6 Exhibit EACCH -- and it's okay if you don't know the
7 answer, but I thought it doesn't hurt to ask.

8 A. Sure.

9 Q. Let me share my screen with you.

10 JUDGE HOWARD: Do you have the exhibit number
11 so we can note that for the record?

12 MS. ARGUNOV: Yes. It's EACCH-4.

13 JUDGE HOWARD: All right. Thank you.

14 BY MS. ARGUNOV:

15 Q. So this is the Groesbecks' account. And the
16 estimations and charges on the account back in August
17 of 2021, where they were billed for previous eight
18 months, I believe.

19 And when we requested the data from PSE, so we
20 were given this explanation of how the estimation formula
21 works. So in this particular scenario, the 108 kilowatt
22 hours per day, this was the estimation.

23 So, Ms. Halsen, can you specify maybe the
24 specific rules or maybe you can -- looking at this data,
25 where do you think this average -- estimated average is

1 coming from?

2 A. This was actually part of Kristina McClenahan's
3 testimony. Not mine.

4 Did you have a question more about the
5 estimation process in general? Is that what you're
6 asking?

7 Q. Yes. Because I was trying to do the math, and
8 it didn't match up. So I was going to ask -- so it would
9 be a question to Ms. McClenahan?

10 A. Yes. That would -- that's part of
11 Ms. McClenahan's testimony.

12 MS. ARGUNOV: Okay. Then I think -- I think
13 that was my last question to you. Thank you very much.

14 THE WITNESS: Thank you.

15 JUDGE HOWARD: All right. Do we have any
16 redirect?

17 MR. STARKEY: No, we do not, Your Honor.
18 Thank you.

19 JUDGE HOWARD: All right. Public Counsel also
20 indicated cross for this witness. You may proceed.

21 MS. GAFKEN: Thank you.

22 CROSS-EXAMINATION

23 BY MS. GAFKEN:

24 Q. Good afternoon. My name is Lisa Gafken. I'm an
25 assistant attorney general representing Public Counsel.

1 How would you like me to address you today?

2 A. Oh, Ms. Halsen is fine.

3 Q. Great. Ms. Halsen, would you turn to your cross
4 answering testimony, which is Exhibit SBH-7T and go to
5 page 6, lines 9 through 11.

6 A. One moment, please. I need to find that in my
7 exhibits here.

8 Q. Sure. Take your time and let us know when you
9 get there.

10 A. Okay. I have it here.

11 Q. At lines 9 through 11, you state both the
12 Argunovs and Groesbecks received an AMI meter around the
13 same time in 2021, in July and August respectively. This
14 was before the AMI rollout was scheduled for the area.

15 Is that correct?

16 A. That is correct.

17 Q. Would you please turn to Cross Exhibit SBH-8X?

18 A. Did you say page 8?

19 Q. It's Exhibit 8 -- 8X.

20 A. Just a moment, please.

21 All right. I have that now. Thank you.

22 Q. Thank you. And I just want to make sure that I
23 understand what was happening. I'm not raising an
24 objection.

25 But was Mr. Starkey handing you the exhibit?

1 A. Yes. The exhibits. Yes. That's not something
2 I have printed or have memorized.

3 So, yes, I have those now.

4 Q. All right. Thank you.

5 So Cross Exhibit SBH-8X is a copy of Puget Sound
6 Energy's response to Public Counsel's data request No. 7;
7 is that correct?

8 A. Yes.

9 Q. And the response date set installations for
10 Cle Elum in June of 2021, correct?

11 A. Yes. Deployment for that sector, that ZIP code,
12 began in Q2 of 2021.

13 Q. Okay. Would you please turn back to your cross
14 answering testimony, Exhibit SBH-7T? And return to
15 page 6. And this time we'll look at lines 7 to 9.

16 A. Yes.

17 Q. Okay. There you state that PSE stopped all
18 noncritical fieldwork, including work related to
19 malfunctioning or nonfunctioning meters, correct?

20 A. Correct.

21 Q. Okay. I'm going to refer you to another cross
22 exhibit. So if you can please turn to Cross Exhibit
23 SBH-9X.

24 A. Okay.

25 Q. Okay. Cross Exhibit SBH-9X is a copy of Puget

1 Sound Energy's response to Public Counsel's data request
2 No. 36, correct?

3 A. Correct.

4 Q. And in that data request, Puget Sound Energy was
5 asked about how COVID 19 protocols prevented timely
6 replacement of the Argunovs' and Groesbecks' meters,
7 correct?

8 A. Correct.

9 Q. Okay. I would like you to look at the response
10 that's in subsection (a). And there Puget Sound Energy
11 refers to Governor Inslee's Stay Home, Stay Healthy
12 Proclamation, correct?

13 A. Correct.

14 Q. On page 2 of that exhibit, utility workers were
15 identified as essential workforce, correct?

16 A. For the electric industry, correct.

17 Q. And you testified earlier in response to
18 Ms. Argunov's questioning that PSE was still sending
19 people out for meter reads during the Stay Home, Stay
20 Healthy proclamation; is that correct?

21 A. Correct.

22 Q. Okay. Looking back at page 2 of Cross Exhibit
23 SBH-9X, please refer to subsection (b). And there Puget
24 responds that it seized working on investigations of
25 noncommunicating AMR meters; is that correct?

1 A. Correct.

2 Q. Could you explain what that means, what
3 investigation of noncommunication -- I'm sorry,
4 noncommunicating AMR meter means?

5 A. Yes. That would actually mean sending out
6 someone who is educated to look at the meter and
7 determine why it is not communicating with the network.

8 Q. Okay. So I just want to make sure that I'm
9 understanding this correctly. So I'm going to ask you
10 whether you can confirm or correct my understanding.

11 Did Puget then continue to send people out to do
12 basic meter reads but not people to figure out if there
13 was anything wrong with the meter reads because it wasn't
14 communicating?

15 A. That is correct. In order to be in compliance
16 with the estimated rule WAC, we did send meter readers
17 out on meters that were not communicating with the
18 network to be able to obtain actual reads from the meters
19 registered so that we could bill them for actual usage.

20 Q. Okay. Thank you.

21 Please turn to Cross Exhibit SBH-10X.

22 A. I'm sorry. Repeat that. SBH --

23 Q. Sure. SBH-10X.

24 A. 10X?

25 Q. Correct.

1 A. One moment, please.

2 Q. Sure.

3 A. Okay. Thank you.

4 Q. Perfect. Cross Exhibit SBH-10X is Puget Sound
5 Energy's response to Public Counsel's data request
6 No. 23. Is that correct?

7 A. Correct.

8 Q. In response to subsection (a), PSE responded
9 that the first enhanced message management case was
10 created on March 15, 2021, for the Groesbecks' account,
11 correct?

12 A. Correct.

13 Q. Can you explain what the enhanced message
14 management case also calls EMMA, E-M-M-A case is?

15 A. Yes. EMMA case is a system-generated work order
16 that goes to, depending on what type of case it is, goes
17 to a certain department to be worked manually. In this
18 case, these EMMA cases were worked by our billing
19 performance team. And they were to determine -- or to
20 review the number of estimates on the accounts and
21 determine what steps needed to be taken to obtain actual
22 usage from the meters.

23 Q. On page 2 of Exhibit SBH-10X, the response to
24 subsection (a) describes a second EMMA -- I'm sorry. Let
25 me start that over again. I'm stumbling over my words.

1 On page 2 of Exhibit SBH-10X, the response to
2 subsection (a) describes a second EMMA case that was
3 generated on May 13, 2021; is that correct?

4 A. Correct.

5 Q. And that second case was completed on August 18,
6 2021; is that correct?

7 A. Correct.

8 Q. And it was during the second EMMA case that it
9 became clear that the Groesbecks' meter required
10 replacement, correct?

11 A. Those service orders that were created were to
12 go out and obtain actual reads from the meters to bill
13 the customers for actual usage. They weren't cases to
14 determine the functionality of the meter or the
15 communication issues with the meter.

16 Q. Okay. But the -- the response on page 2, still
17 looking at section (a), did state that at this time it
18 became clear the meter needed to be replaced and the
19 service notification was created. Correct?

20 A. Yes. What that is is that they had previously
21 obtained reads from the meter, and the meter reads were
22 still estimating. Meaning that the communication with
23 the network was still not communicating reads to our
24 system for billing.

25 And that, yes, there would need to be a meter

1 replacement. We were not replacing AMR with AMR meters
2 because it was the AMR communication that was obsolete.
3 And, therefore, those needed to be AMI meters.

4 MS. GAFKEN: Okay. I don't have any questions
5 to ask about Cross Exhibits SBH-11X, 12X, or 13X. But I
6 understand that those are in the record.

7 So I can conclude my cross-examination here.
8 Thank you, Ms. Halsen.

9 THE WITNESS: Thank you.

10 JUDGE HOWARD: All right. Is there any
11 redirect following that cross?

12 MR. STARKEY: Yes. Just one or two questions,
13 Your Honor. Thank you.

14 REDIRECT EXAMINATION

15 BY MR. STARKEY:

16 Q. Ms. Halsen, are you aware of whether or not it
17 was PSE or a contractor that was installing AMI meters or
18 replacing AMR meters with AMI meters?

19 A. For two of these customers, they were replaced
20 by PSE ahead of schedule for the AMI deployment in that
21 area. One of them was in September. That was actually
22 replaced by our contractor. That was deploying the AMI
23 meters with our mass deployment process.

24 Q. Okay. And for those two meters that PSE
25 installed, is that typical? Or is someone else usually

1 installing that meter?

2 A. Someone else is usually installing that meter.
3 For the first time an AMI meter is installed, it's
4 typically with the vendor through our mass deployment
5 program.

6 MR. STARKEY: Okay. Thank you. That's all I
7 have.

8 JUDGE HOWARD: All right. Thank you for your
9 testimony today.

10 Our next witness would be Aaron Tam with Public
11 Counsel. Sorry for my voice there.

12 Mr. Tam, can you hear me all right?

13 THE WITNESS: Yes.

14 JUDGE HOWARD: All right. Great. If you
15 would please raise your right hand, I will swear you in.

16 * * * * *

17 Aaron Tam, having been first duly sworn, was
18 examined and testified as
follows:

19 THE WITNESS: Yes, I do.

20 JUDGE HOWARD: Thank you.

21 And let me review my notes here. I believe PSE
22 indicated a brief cross for this witness.

23 MR. STARKEY: Thank you, Your Honor.

24 CROSS-EXAMINATION

25 BY MR. STARKEY:

1 Q. Good afternoon, Mr. Tam. How are you doing?

2 A. I'm a little sick as well. But luckily this
3 will be pretty short. Thank you.

4 Q. I'm sorry to hear that. I'll keep this pretty
5 short.

6 So, Mr. Tam, isn't it true that in 2019, Public
7 Counsel opposed PSE's transition to AMI meters?

8 MS. GAFKEN: I'm going to raise my objection
9 again. This is going to be about the cross exhibit and
10 the advocacy in the 2019 rate case. Which is -- the
11 issues in that case are completely different from the
12 issues in this case. Rate cases that the utilities rates
13 and one of the issues was cost recovery of the AMI
14 system.

15 But as I stated earlier in my objection,
16 Commission has already ruled those issues are settled.
17 And I would argue that they are irrelevant to the
18 complaint here.

19 JUDGE HOWARD: I --

20 MR. STARKEY: Your Honor --

21 JUDGE HOWARD: I will -- please respond,
22 Mr. Starkey.

23 MR. STARKEY: Your Honor, I have two points to
24 that.

25 One I think that goes to weight and not

1 necessary relevance.

2 And point number two is that the relevance here
3 is pretty clear because Public Counsel is advocating for
4 potentially leveraging penalties based off of whether or
5 not the AMI meters were replaced quick enough and the AMR
6 meter functionality as well.

7 JUDGE HOWARD: I --

8 MS. GAFKEN: May --

9 JUDGE HOWARD: Go ahead.

10 MS. GAFKEN: I'm sorry, Judge. I was just
11 going to quickly respond to that, if I may.

12 JUDGE HOWARD: Go ahead.

13 MS. GAFKEN: We're not asking Commission to
14 penalize the company in this docket because those would
15 be subject to a separate complaint.

16 What we are asking is that the Commission issue
17 a complaint against Puget to look into the violations
18 that both us and Commission staff have identified.

19 JUDGE HOWARD: Thank you.

20 I have considered Public Counsel's objection.
21 For the time being, I will allow Mr. Starkey to explore
22 this issue, and I will give it to the weight it deserves.
23 I do believe that there is some -- some -- some relevance
24 here or likely relevance.

25 So please proceed, Mr. Starkey.

1 MR. STARKEY: Thank you, Your Honor.

2 BY MR. STARKEY:

3 Q. Mr. Tam, I'm going to repeat that again just so
4 that it's clear for the record.

5 Isn't it true in 2019 Public Counsel opposed
6 PSE's transition to AMI meters.

7 A. So that -- that 2019 general rate case, just
8 as -- for some context, that predated my employment at
9 the Public Counsel unit. I began employment in
10 November 2021. But from my reading of the post-hearing
11 brief, it's my understanding that Public Counsel opposed
12 the wild -- the large-scale deployment of AMI meters and
13 did not oppose AMI meters as a whole.

14 Q. Okay. And isn't it true that in 2019 Public
15 Counsel was not concerned with the AMR network failure
16 rates?

17 A. That is correct. Public Counsel stated that the
18 AMR failure rates, based on PSE's own research, was less
19 than 5 percent.

20 Q. And my question was a little different.

21 Was Public Counsel concerned with those failure
22 rates?

23 A. No, they were not. They believed that there
24 were other measures that could be taken to address those
25 failure rates.

1 MR. STARKEY: Thank you. That's all I have.

2 JUDGE HOWARD: All right. Mr. Tam, thank you
3 for your testimony today.

4 Oh, I'm sorry. I'm sorry. I was --

5 MS. GAFKEN: Yeah.

6 JUDGE HOWARD: -- I went off script.

7 Ms. Gafken, please go ahead with your redirect.

8 MS. GAFKEN: A very brief redirect. And
9 actually I wasn't sure if my audio had glitched because
10 my headphones just told me they are low. So hopefully
11 they hold out for just a moment.

12 REDIRECT EXAMINATION

13 BY MS. GAFNEY:

14 Q. I just have one redirect question, I think,
15 Mr. Tam.

16 Are systemwide AMI failure rates the same as
17 individual customer experiences with failure rates?

18 A. No, I do not believe so.

19 Q. How are they different?

20 A. In this case, the general rate case was speaking
21 to the recovery of wide scale -- large-scale deployment
22 of AMI meters.

23 In this case, we're talking about a -- a few
24 customers that were experiencing issues with their AMI
25 meters. And there were ways to address those issues such

1 as obtaining manual meter reads and -- a timely fashion.
2 As well as potentially replacing them with functioning
3 AMR or AMI meters.

4 Q. If a customer is experiencing meter failure,
5 does it matter whether the company as a whole is
6 experiencing either a high or a low failure rate from
7 that customer's perspective?

8 A. From the customer's perspective, I don't believe
9 so.

10 MS. GAFKEN: Thank you. That's all I have,
11 Your Honor.

12 JUDGE HOWARD: All right. Thank you. And
13 thank you, Mr. Tam, for your testimony.

14 We will next move to Staff's witness, Sheri
15 Hoyt. And I believe Ms. Argunov indicated approximately
16 15 minutes of cross-examination for Ms. Hoyt.

17 Do we have Ms. Hoyt joining us? I see her
18 camera feed. Can you hear me all right?

19 THE WITNESS: Yes.

20 JUDGE HOWARD: If you would please raise your
21 right hand I'll swear you in.

22 * * * * *

23 Sheri Hoyt, having been first duly sworn, was
24 examined and testified as
follows:

25 THE WITNESS: I do.

1 JUDGE HOWARD: All right. Thank you.

2 Ms. Argunov, you may proceed.

3 CROSS-EXAMINATION

4 BY MS. ARGUNOV:

5 Q. Good afternoon, Ms. Hoyt.

6 My first question to you is a little bit to know
7 more about the informal complaint structure.

8 So when a customer -- there is a customer
9 complaint about billing or other type of the billings, is
10 there any particular divisions that investigate each
11 particular type? Or all -- all division, like, can
12 answer or file -- help with the complaint investigation
13 for any type of complaint?

14 A. So we have a team of five complaint investigator
15 plus myself. And we investigate all of the complaints
16 that the consumer protection office receives that are
17 regulated issues. We don't specialize or divide up the
18 complaints.

19 Q. So the -- when I filed my informal complaint,
20 the staff or person who is reviewing and investigating it
21 based on what I provided, do they have any knowledge of
22 AMI system and -- well, in this particular case, billing
23 process? Not at high level, I'm talking more detailed
24 level.

25 A. I'm sorry. Could you repeat?

1 Did you say when you filed your formal or
2 informal?

3 Q. Informal. Whoever was investigating it.

4 A. So we have a basic knowledge -- Commission staff
5 has a basic knowledge of what an AMI meter can do for
6 customers. It's two-way communication, to our
7 understanding. There's also features that a company may
8 offer to its customers such as looking at daily usage
9 through its website account. It's -- AMI is slightly
10 different than AMR. Our understanding is that AMR is one
11 way, meaning that the company can't communicate to the
12 meter such as a remote reconnect or disconnect. And the
13 meter doesn't -- an AMR meter doesn't provide -- doesn't
14 tell the company whether the power is out.

15 Q. Okay. And so during investigation of my
16 formal -- informal complaint, excuse me, informal
17 complaint, there was a file similar to what I have in
18 EACCH-41 where I provided some facts and some sources to
19 look at, right? Because I knew that it's a little bit
20 more -- getting more technical, right, data management.

21 So have -- during any step in your
22 investigation, was this file reviewed with PSE?

23 A. So I'm not familiar with the exhibits as
24 Commission staff isn't a party. So I'm afraid I don't
25 know how to answer that question if I don't know what

1 exhibit -- what the information is in the exhibit.

2 Q. So the tool, my informal complaint, I attached
3 the Excel file with all the information from my account
4 including some resources. So my question was if this was
5 reviewed during the investigation with PSE?

6 A. Cory Cook [phonetic] was the complaint
7 investigator. And I also spoke with you about the
8 complaint. We both reviewed that data and had no
9 feedback for it.

10 Q. Okay. Yeah. I remember Cory too.

11 So does Cory have any background in accounting,
12 or billing, or data management?

13 A. I'm sorry. I couldn't answer what Cory's
14 background is. I would not want to misspeak about what
15 his background is.

16 Q. Okay.

17 So what -- thank you for your answers.

18 Another question would be what is the time frame
19 for the informal complaint to kind of -- the whole -- to
20 finish the whole circle?

21 For example, today I filed an informal
22 complaint. How -- how is it working? How much time do
23 you think is appropriate to spend investigating some more
24 complicated cases or informal complaints?

25 A. There's a lot of factors that go into an

1 informal complaint investigation. Not in any order of
2 importance; staffing, number of complaints, the type of
3 complaint. We have about six or seven industries we
4 regulate. We take complaints about all of them. And
5 it's hard to say. It's what the complaint needs. We
6 keep at it. I don't really know how to -- we don't have
7 a time limit. Companies have a set limit for when
8 they're supposed to respond. But there are no set
9 timeline to follow for the -- for Staff to investigate.

10 Q. So quick question.

11 When my informal complaint was closed, I haven't
12 been provided any support documentation for PSE.

13 Is this -- so is this something that, like,
14 normal that you -- you to see would do -- so if I file an
15 informal complaint with the files and supporting
16 documentation, should I get some kind of supporting
17 documentation in exchange when you guys closing the --
18 the informal complaint?

19 Or you just saying it's closed, we agreed with
20 PSE, for example?

21 MR. CALLAGHAN: Your Honor, at this point I'm
22 going to object on relevance grounds. This is Nash
23 Callaghan. There are specific violations of Commission
24 rule laid out in the formal complaint. I'm not seeing
25 how this question gets at information that would make

1 whether or not those violations occurred more or less
2 relevant.

3 JUDGE HOWARD: Ms. Argunov, would you like to
4 respond?

5 I think the issue is that we've -- we've kind
6 of -- that we have escalated this to a formal complaint
7 level. And now we're taking a fresh look at whether
8 these violations have occurred.

9 So your going into exactly how the informal
10 complaint was handled may -- may not be informative if
11 we're trying to --

12 MS. ARGUNOV: Okay.

13 JUDGE HOWARD: -- decide if these violations
14 occurred.

15 MS. ARGUNOV: Okay. Agreed.

16 BY MS. ARGUNOV:

17 Q. My last question would be, Ms. Hoyt, so could
18 you please explain the status of informal complaint
19 showing as Company upheld?

20 A. I'm not sure what you mean by "status."
21 Could you rephrase that?

22 Q. So when you look at the public records, there is
23 a type of informal complaint which is service, et cetera.

24 And another one is -- let's say result. Either
25 customer held or Company upheld.

1 When it says "Company upheld," what does it
2 mean?

3 A. Just what it implies. That Commission staff
4 found in favor of the company.

5 MS. ARGUNOV: Okay. Gotcha. Thank you very
6 much. I don't have any more questions.

7 THE WITNESS: Thank you.

8 JUDGE HOWARD: Any redirect?

9 MR. CALLAGHAN: No, Your Honor. And if those
10 are all the -- oh, I remember you had some questions for
11 Ms. Hoyt. Thank you.

12 JUDGE HOWARD: I believe I have a couple of
13 questions. They might -- there might just be one.

14 Ms. Hoyt, have you reviewed Public Counsel's
15 testimony in this docket from Aaron Tam?

16 THE WITNESS: I reviewed Public Counsel's
17 testimony. I'm sorry, I don't recall whose name was on
18 it.

19 JUDGE HOWARD: Oh, that's fine.

20 Do you -- and we can -- we can open this
21 document if you -- if that would be helpful to you.

22 Do you have that handy, Aaron Tam's testimony
23 AT-1T.

24 THE WITNESS: I don't. But if you'll give me
25 one moment, I will find it.

1 Can you tell me the date it was filed? I
2 received copies of these, but I have not been following
3 it religiously.

4 JUDGE HOWARD: It was -- I believe it was
5 filed on February 9th.

6 THE WITNESS: Okay. That helps.

7 JUDGE HOWARD: And I don't -- I'm not sure
8 what's going on with our Cases app. My browser is
9 sometimes slow to load things from Cases the last few
10 days.

11 Ms. Gafken, would you happen to have a page site
12 handy in Aaron Tam's testimony for where Public Counsel
13 is asserting the violations it's asserting?

14 MS. GAFKEN: Yes. Let me see if I can get
15 something that's helpful. There's a summary, both at the
16 beginning and the end of the testimony. And I'm trying
17 to get my hands on a site for you.

18 MR. CALLAGHAN: So, Your Honor, I'm looking
19 through that testimony now. It looks to me like the
20 beginning of page 8 might be where it is -- it starts to
21 talk about the additional violations.

22 JUDGE HOWARD: Thank you. That's right. Yes.
23 It's page 8. I just opened it myself.

24 Ms. Hoyt, do you have that?

25 THE WITNESS: Not yet. Mine is -- mine is

1 not -- if somebody could drop me a link to it out of
2 Cases, that would probably be quicker than me trying to
3 scroll through for it.

4 MR. CALLAGHAN: I will do that, Ms. Hoyt. I
5 will send it to you.

6 THE WITNESS: Thank you.

7 JUDGE HOWARD: We'll give you just a moment.

8 MS. CALLAGHAN: I sent it in an e-mail.

9 THE WITNESS: Thank you.

10 MS. GAFKEN: Judge Howard, I'm not actually
11 sure I'm still connected.

12 JUDGE HOWARD: It looks like your video is
13 frozen, but I can hear you. I may be having issues
14 hearing you right now.

15 THE WITNESS: All right. I have the document
16 open. What page would you like me to go to?

17 JUDGE HOWARD: I believe page 8. Let's start
18 with page 8. So --

19 THE WITNESS: Okay.

20 JUDGE HOWARD: And are you familiar with -- I
21 believe you indicated you have reviewed this in the past,
22 does this look familiar to you?

23 THE WITNESS: I have read this. Yes.

24 JUDGE HOWARD: All right. Do you have any
25 opinion as to the additional violations that Public

1 Counsel asserts took place?

2 THE WITNESS: Well, I don't for the service
3 responsibility under 480-100-148. I have not seen that
4 applied before to a not -- to a meter that was having
5 problems communicating with the network.

6 There were also recommendations about penalties,
7 I believe -- scrolling quickly. My apologies -- for the
8 7th month that the Company billed but then credited in
9 that corrected bill.

10 Is that the other one you're asking about?

11 JUDGE HOWARD: Well, there's a few. Let me
12 see.

13 So one of them -- well, let's take -- we'll just
14 take them basically one category at a time.

15 THE WITNESS: In order. Okay.

16 JUDGE HOWARD: One is Public Counsel asserts
17 that PSE did not have a single billing period which was
18 based on actual beginning and ending reads for a year,
19 which would be a violation of WAC 480-100-178(1)(i)(ii).

20 Do you have an opinion as to that claim?

21 THE WITNESS: For which customer? All three
22 customers had slightly different circumstances.

23 JUDGE HOWARD: I believe it was -- it was
24 pertaining to the Argunovs.

25 THE WITNESS: Okay. One moment.

1 JUDGE HOWARD: And that's referred to on
2 page 8.

3 THE WITNESS: Yes. I don't have a
4 recommendation. The rules do allow them to estimate.
5 Violations were recorded because they had estimated too
6 many billing periods in a row.

7 JUDGE HOWARD: Okay. I might ask you about
8 one more here in particular.

9 If you look to line 11 on page 8 of Mr. Tam's
10 testimony, it is starting at line 11 going to line 14, it
11 says, "Additionally on July 29, 2021, PSE issued billing
12 corrections to the Argunovs' electricity bill for the
13 past year in violation of WAC 480-100-178(5)(a).
14 Underbilled amounts may only be billed for up to six
15 months from the date the error occurred."

16 Did I read that correctly?

17 THE WITNESS: I'm sorry. I'm not seeing that
18 on page 8.

19 JUDGE HOWARD: Page 8 of Mr. Tam's testimony,
20 lines 11 through 14.

21 THE WITNESS: Page 8 of 13?

22 JUDGE HOWARD: Lines 11 through 14 on page 8.

23 THE WITNESS: Yes.

24 MR. CALLAGHAN: So, Ms. Hoyt, based on the
25 page numbers at the bottom of the document, not the PDF

1 numbers.

2 JUDGE HOWARD: Ah.

3 THE WITNESS: Thank you.

4 MR. CALLAGHAN: Sorry.

5 THE WITNESS: No, that's okay. I'm sorry. I
6 was looking at the PDF document.

7 Okay. Yes. I'm there now.

8 JUDGE HOWARD: All right. So there's the
9 assertion that there's a violation for issuing billing
10 corrections after the deadline establishing rule.

11 Do you have any opinion as to that claim?

12 THE WITNESS: Give me one moment to look at
13 that, the complaint.

14 I don't. I'm sorry, Judge Howard. I don't
15 really understand the question in that do I have a
16 recommendation. No violations were recorded for that by
17 the investigator.

18 JUDGE HOWARD: All right. Do you have any
19 basis to agree or disagree with the Public Counsel's
20 opinion that there was a violation of that particular
21 Commission rule?

22 THE WITNESS: For the Argunovs?

23 JUDGE HOWARD: For the Argunovs.

24 THE WITNESS: To be honest, the reason I'm
25 stumbling on this is because there was three separate

1 complaints. I was not the investigator for either of
2 them -- for any of them. But I did review them.

3 In one of the complains, PSE had issued a
4 corrected bill for reestimating usage as well as three
5 months of delayed service charges. And they had credited
6 this -- what they called the seventh month. And put on
7 the spot like this, I'm so sorry. I'm trying to find out
8 which customer that was for. Because I did disagree with
9 Public Counsel that -- that there should be violations --
10 or penalties. The reason was the corrected bill was kind
11 of a hybrid in that 480-100-178(5)(a) speaks about
12 corrected bills for underbilled or overbilled usage. And
13 that can only go back six months for underbilled amounts,
14 or up to six years for overbilled, for crediting.

15 And 480-100-178(8) speaks to a true-up for bills
16 that were estimated as estimated usage once the Company
17 gets an actual reading, that those are not considered
18 billing corrections for the purpose of (5)(a).

19 So the corrected bill that I saw was kind of a
20 mash-up. It was a true-up for the estimated usage that
21 had been correctly displayed on the original bills as
22 estimated usage. But they -- PSE had got a -- an actual
23 read off the meter and they had corrected that. And
24 during the time they were investigating it, they had
25 stopped billing because of the high bill complaint. And

1 so then they released the bills for the three months that
2 had not billed.

3 So I didn't see that as seven months of a
4 billing correction. I saw that as four months corrected
5 usage as estimated, a true-up. And three months of
6 unbilled usage that had been delayed.

7 The delay would have qualified as a corrected
8 bill because the rule states for any reason usage wasn't
9 billed. But it was only three months of delayed charges.

10 So I felt that PSE kind of erred on the side of
11 the customer in that they credited the seventh month when
12 perhaps it wasn't necessary.

13 JUDGE HOWARD: Okay.

14 THE WITNESS: I would not say that penalties
15 were warranted here. But that's just my opinion.

16 JUDGE HOWARD: Okay. Well, thank you. That's
17 all the questions I had. I just wanted to clarify
18 Staff's position on those additional violations.

19 Mr. Callaghan, did you have any requests for any
20 clarifying redirect following my questions?

21 MR. CALLAGHAN: No, Your Honor. Thank you.

22 JUDGE HOWARD: All right. Ms. Hoyt, thank you
23 for your testimony and for appearing here even though
24 Staff is not appearing formally as a party today.

25 THE WITNESS: Thank you.

1 JUDGE HOWARD: I appreciate it.

2 So that would conclude the examination of
3 witnesses. And we will now allow the parties a chance
4 for brief oral closing statement, hopefully limited to
5 approximately 15 minutes. And I will follow the same
6 order of parties that I have been following today. If
7 we -- if anyone would like to request a break, we can
8 take a short break. Otherwise, I am happy to -- to
9 continue on through.

10 Is there any request from a party for a break at
11 this time?

12 MS. ARGUNOV: Your Honor, if five minutes
13 could be granted, that would be great.

14 JUDGE HOWARD: That's perfectly fair. So
15 let's be off the record.

16 (A break was taken from
17 1:51 p.m. to 1:56 p.m.)

18 JUDGE HOWARD: All right. Let's be back on
19 the record.

20 We're going to resume our hearing with the oral
21 closing statements from the parties. And I would turn
22 first to Ms. Argunov.

23 MS. ARGUNOV: Thank you, Your Honor.

24 CLOSING ARGUMENTS

25 MS. ARGUNOV: So I just wanted to read my

1 statement because it's just easier to put it all
2 together.

3 I just wanted to summarize everything that I was
4 trying to show in my testimonies and go back to
5 conversation about billing requirements when it comes to
6 AMI system and AMI meters, in general.

7 So when any utility company implements a
8 brand-new system, there are always some optional features
9 such as analytics, reporting part of it, et cetera. But
10 as I presented in several exhibits, there are also
11 specific requirements for billing based on the tape --
12 type of the data that's coming from the smart meters.
13 The AMR and AMI smart meters do read data in 15-minute
14 intervals. And it also has a source of discrete, which
15 is summarized data or meter reads which must be
16 synchronized. And this is not happening in PSE case.

17 The PSE decided to create their own process
18 disregarding all required calculations and work flows.
19 The AMR calculator reads have not gone through a proper
20 process. Another good example would be noncommunicating
21 meter. It was installed back in June -- July of 2022.
22 If you look at the MDMS reads, there is not even one
23 value there that is pertaining to this particular meter.

24 So all -- from all I know, the only read that
25 PSE takes from my noncommunicating meter is the end read.

1 That's all. That's all I have. So meaning that those
2 values are also not going through any validation process.

3 So another thing that I was going to mention is
4 the MDUS module that we were talking during
5 cross-examination. So there are two model -- modules.
6 One in L+G platform. Which is MDUS, stands for meter
7 data unification and synchronization.

8 Just wanted to mention that the exhibit which is
9 EACCH-37, at the end of this brochure, it has date on it
10 which is March 30, 2017.

11 During this cross-examination we were told that
12 this module did not exist. Well, it was there all along
13 since 2017. So by the -- when PSE start working on their
14 AMI system, this module was already available.

15 So this module, what it does is it synchronize
16 both billing components, that's what they call it, meter
17 read on one side and interval register on another. And
18 then both of them, they go through the VEE validation,
19 right, validation estimation and editing process. And
20 then it pushes -- after that, it pushes all of the data
21 into another module where it calculates already the
22 actual consumption. And those formulas are embedded in
23 those modules.

24 So the alternative module in SAP is -- it's
25 called IS-U-EDM. They also saying was -- was saying they

1 didn't use this as an option either. So which is, again,
2 both modules, either of them is a required step to
3 calculate the interval data. But PSE keeps saying that
4 there's no such requirements. I might be not an
5 excellent speaker and there is no one else who can do
6 this for us. And we don't really have unlimited sources
7 as PSE, a multibillion company. But I hope that my
8 testimonies will tell a better story.

9 The fact of the matter is that there are
10 requirements for AMI system that live in different ERP
11 and software platform such as L+G, Oracle, and SAP. And
12 PSE refuses to admit that. Instead they invent something
13 that is obviously not working properly. And as a result,
14 we, their customers, are struggling with energy bills.

15 The bottom line, this is -- this is not up to
16 PSE to decide whether they want to follow the ERP system
17 requirements or not. This is a must for each case.
18 There are requirements they have to follow and I provided
19 multiple sources as evidence. Those -- there is no room
20 for their creativity.

21 I found it very challenging to cross-examine --
22 sorry, PSE witnesses that do not have the knowledge of a
23 complete process from the beginning to the end. It
24 caused a lot of confusion on my side. And -- but, I
25 guess, it might be just an intent from -- and basically

1 there is basically no one to help us with support. So if
2 I wasn't clear enough today, I apologize. But I hope
3 that all the exhibits and testimonies will help us to
4 bring -- to bring closure and justice.

5 PSE has mentioned that they're going to
6 implement time of use, meaning that they will be able to
7 charge a higher price for the peak hours during the day.
8 Due to incomplete implementation of their current system,
9 we're already struggling with PSE bills. I wonder how
10 much longer it will take us to not being able to afford
11 to have lights in our house. The arranged payment that
12 PSE so genuinely offers to everyone is not what we want.
13 We want to actually pay for what we actually use and not
14 what they force us to pay because they decided to create
15 their own processes.

16 It's been a year since I started learning and
17 studying about AMI system. And in -- believe me when I
18 say it took a toll on my job, on my family, my health,
19 and my life in general. So it wasn't in any way very
20 easy thing to do for me. Thank you.

21 JUDGE HOWARD: Thank you. And would
22 Mr. Johnson like to do a closing?

23 All right. Hearing none, would the Groesbecks
24 like to give any closing comments?

25 MS. GROESBECK: Yes. I have a short one.

1 JUDGE HOWARD: Please proceed.

2 CLOSING ARGUMENTS

3 MS. GROESBECK: My final thoughts on this
4 matter are when building a new home, specifically in
5 Kittitas County, many energy credits are needed to be met
6 in order to get your plans approved in the beginning and,
7 again, in order to get a certificate of occupancy to move
8 into your home. Those include, but they are not limited,
9 to energy efficient appliances, faucets with a low
10 gallons per minute usage, specific windows designed for
11 maximum insulation, and efficient hot water tanks that
12 utilize a heat pump, for example.

13 Additionally, a blower door test is required to
14 show that the room does not leak air which would cause
15 the heating system to work overtime.

16 After meeting all required energy credits and
17 speaking with energy advisors and adjusting our lifestyle
18 in order to use the least amount of energy possible, we
19 still wonder why we are receiving such high bills, bills
20 that are much higher than similar homes in our area.
21 Homes that we have confirmed are extremely similar in
22 size and type of heat source used. I simply ask that the
23 following is considered.

24 Some part of the system is clearly wrong and
25 that might not be so easy for Puget Sound Energy to

1 understand because they're not the ones who have
2 experienced the financial hardship that we have faced due
3 to this issue or how much stress it has brought into our
4 lives. Thank you.

5 JUDGE HOWARD: All right. Thank you.

6 I'll now turn to PSE.

7 CLOSING ARGUMENTS

8 MR. STARKEY: Thank you, Your Honor.

9 I want to start with what is clear here. And
10 it's that the complainants were ultimately billed based
11 on actual energy used in kilowatt hours. And that's to
12 the primary allegation. And it has not been proven,
13 which is their obligation.

14 Now, how do we know that? We know that, one,
15 that actual reads were received by meter readers that
16 went out when reads were not being communicated over the
17 AMR network.

18 We also know that for the testimony of
19 Ian Hagan, for the testimony of Allison Sains, for the
20 testimony of Kristina McClenahan, and the testimony of
21 Stacey Halsen, the process that PSE will go through to
22 ensure that eventually, and that ultimately, customers
23 are billed for the energy that they used. It starts with
24 the meter, which Ian Hagan explains measures in kilowatt
25 hours. And that's a key point. And that in and of

1 itself counters many of the points that Ms. Argunov is
2 raising.

3 The meter itself measures energy usage in
4 kilowatt hours. There does not need to be any sort of
5 conversion when that data and that information goes from
6 the meter to MDMS. Or from MDMS to SAP.

7 Ms. Sains, for example, explained why there
8 might be a gap in the information that Ms. Argunov was
9 pointing to. That when if you have MDMS and there might
10 have been estimated reads or estimated bills, that data
11 doesn't show up in the interval information that it
12 provides to customers.

13 But a key point there is that PSE does not use
14 interval data for billing. It does not use interval
15 billing. And it is not required to do so. PSE bills
16 customers based off of the beginning read for the month,
17 and the ending read for the month. And how it does that
18 is that the energy used, it works like an odometer.
19 Where if you look at the evidence, you'll see that a
20 customer's read might say 1,000 -- 1,552. And then the
21 next month it will say 2,552. And that would show you
22 that 1,000 kilowatt hours were used between those months.
23 So there's no calculation that needs to be done other
24 than subtracting the end read from the beginning read.

25 So there really are two questions here.

1 One, which is what violations might have
2 occurred?

3 And, two, should penalties, or at least should a
4 recommended -- recommendation be made to consider
5 penalties in another proceeding?

6 So let's start with the very first question.

7 And PSE does admit that there were too many
8 estimated bills in certain instances. And it also
9 corrected the errors for the Groesbecks, and the
10 Groesbecks received a couple of bills that were corrected
11 bills. And Commission staff found violations for the
12 Groesbecks. PSE acknowledges that and is not contesting
13 that. Those were mistakes that were made and it owns
14 them.

15 Now for the Johnsons, I do want to note that it
16 is unclear whether or not Public Counsel is claiming
17 there was a violation there. But a key finding with the
18 Johnsons' case in the informal complaint is that there
19 was good cause for the weight between issuing a bill.
20 Because PSE went out and tested the meter because there
21 were high initial bills. So PSE waited before sending
22 that bill and releasing it to the customer to make sure
23 that that meter was reading correctly. Ultimately that
24 meter was reading correctly, which is why then that bill
25 was released. And in the informal complaint and here,

1 you should find that there was good cause for that delay.

2 Now Public Counsel is requesting additional
3 violations be found. And I want to highlight two WACs
4 that are cited that do not apply here is claiming that
5 the meters were not in working order. And this is
6 incorrect. The meters were working properly. The issue
7 was the AMR network. We know that the meters were
8 working properly because when PSE sent out meter readers
9 to get a physical read from the meter, it was able to do
10 so. And that meter read, it was going up. It wasn't
11 going down. It wasn't going backwards. It continued to
12 read.

13 Another point is that Public Counsel identifies
14 WAC 480-100-333. But the issue with that is that is
15 specific to whether or not the electric meters are
16 registering usage nearly correct as practical. That was
17 happening here. And I would also point out that that WAC
18 applies to when a meter is initially -- is initially put
19 into the field or is taken out of the field and then put
20 back in right after that. That doesn't apply.

21 The meters were registering energy usage as
22 nearly correct as practical.

23 Another WAC that Public Counsel cites is WAC
24 480-100-148(2)(c). But the issue there, and what that
25 WAC calls for, is that PSE needs to maintain and explain

1 a condition that will enable it to quote, furnish safe,
2 adequate, and efficient service, end quote. The key
3 point here, again, is that the customers were receiving
4 safe, adequate, and efficient service. There was no
5 interruption of service here. And that's what that WAC
6 applies to.

7 Now Public Counsel does identify additional
8 violations that it claims to have with the Argunovs' AMR
9 meter, which had multiple estimated reads. And, again,
10 PSE does acknowledge that estimated reads occurred with
11 the Argunovs. That was not part of the informal
12 complaint. And nor did the customers pursue that in
13 testimony.

14 Nevertheless, a key point to consider here and
15 what gets to whether or not there was an impact on the
16 customer is that for the Argunovs and their AMR meter,
17 they were not negatively impacted because they were given
18 a credit of \$1,600 to make sure -- because PSE was not
19 going to bill them for any sort of estimated read beyond
20 what they're allowed to do.

21 So the Argunovs for that AMR meter and where
22 there was multiple estimated reads, they were not charged
23 in the end for the full amount of electricity that they
24 used with that AMR meter.

25 So then let's get to that second question which

1 is whether or not fines should be imposed or whether or
2 not there should be a recommendation to consider
3 penalties.

4 I would like to highlight the testimony of
5 Ms. Hoyt here at the very end which was that her
6 recommendation, based off of their investigation, was
7 that that was not necessary. That there -- that imposing
8 penalties was not necessary here.

9 And what the Commission should consider is the
10 totality of factors and that weighs against the
11 imposition of penalties and whether or not a proceeding
12 should be opened.

13 Typically the Commission will consider the
14 policy statement in Docket A-120061. And that outlines
15 different factors that would be considered of whether or
16 not there's an imposition of funds. Or what we would
17 argue, opening another proceeding.

18 So let's go through a couple of those factors.

19 One is how serious or harmful the violation is
20 to the public. The key here is that the violations were
21 isolated. They're not part of a larger issue. They
22 don't threaten public safety. And, importantly, the
23 customers were receiving electricity, their service was
24 not interrupted. And the meters themselves were
25 recording the actual energy use. And the customers were

1 billed based off of actual energy used.

2 Additionally, customers that were offered an
3 installment plan were able to opt into one. So that when
4 there were true-up bills issued, it was not one immediate
5 payment that they had to make. It was extended over
6 18 months to lessen that initial shock.

7 Another consideration is whether or not the
8 violations are intentional. And there should be very
9 clear, here based off of the testimony of Mr. Hagan, of
10 Ms. Sains, Ms. McClenahan, and Ms. Halsen, that there was
11 no intent to violate the WAC. The violation has happened
12 due to a wide variety of circumstances, primarily the AMR
13 meter network was not working as it should in that the
14 meters were not able to communicate with the AMR network.
15 And eventually PSE installed AMI meters which resolved
16 the problem. And Ms. McClenahan, if you look at her
17 testimony, she shows that PSE has a system in place to
18 try and prevent these type of issues from happening
19 again.

20 Another factor is whether or not the company was
21 cooperative and responsive.

22 Again, this factor would weigh against the
23 imposition of fines or the opening another proceeding.
24 PSE staff cooperated with the Commission staff in the
25 informal complaint and it continued to do so.

1 Another factor is whether or not the Company
2 promptly corrected the violations and remedied the
3 impacts. And their solution here to avoid future issues
4 was to install an AMI meter. And that is what PSE did.
5 And PSE did that ahead of schedule. And a key point is
6 that typically the AMI meters are installed by a
7 contractor. And they have a schedule that they'll go
8 through for that area and eventually they'll do it
9 neighborhood by neighborhood.

10 What happened here is that PSE realized that
11 that was not going to be happening quick enough so they
12 sent out their own technicians to then install an AMI
13 meter. And if you look at when the AMI meters were
14 installed, the estimated bills did not happen as
15 frequently. And there was no other violation of the WAC
16 after the AMI meters were installed.

17 One of the final two considerations here is the
18 number of violations. Commission staff found nine
19 violations and we -- and PSE wants to highlight that
20 those violations occurred over the course of a few
21 months.

22 During COVID and while PSE was transitioning
23 customers to AMI meters. So those violations are
24 unlikely to happen again.

25 And then, finally, the other consideration is to

1 the number of customers affected. And here again, the
2 factors weigh against the imposition of fines or the
3 opening of a new proceeding. The violations here are
4 specific to two customers; the Argunovs and the
5 Groesbecks. And they are tied to the AMR network that
6 has now been replaced. There's no evidence that there's
7 a widespread issue with estimated bills. There's no
8 evidence that there's an issue with the meters in
9 general. And the issues specific to these three
10 customers have been resolved.

11 Puget Sound Energy takes this obligation to
12 serve customers with reliable electric service seriously,
13 and makes sure that customers not only receive electric
14 service, but also will make sure that they're only paying
15 for the energy that they use. And the Commission should
16 consider that totality of circumstances here when
17 considering whether or not to either issue penalties or
18 open a new proceeding.

19 The circumstances here show that PSE remedied
20 the situation, that the AMI meters are working as
21 designed for these customers, and that this is not a part
22 of a larger issue.

23 And on that basis, PSE requests that you will
24 find violations only where appropriate and decline to
25 impose penalties and decline to open a new proceeding.

1 Thank you.

2 JUDGE HOWARD: Thank you. I would now turn to
3 Public Counsel.

4 MS. GAFKEN: Thank you.

5 CLOSING ARGUMENTS

6 MS. GAFKEN: Aaron Tam testified in Exhibit
7 AT-1T, page 10, compounding effects of the estimated
8 bills, the numerous bill corrections, and unknown high
9 energy bill ratings, resulted in the Groesbeck household
10 being nearly disconnected and the Argunov household
11 applying for energy assistance.

12 While PSE has paid very little consequence,
13 these customers were surprised with sudden and large
14 arrearage payments and put them at risk for
15 disconnection.

16 The impact of this case has been tremendous on
17 customers. Yes, we are only talking about three
18 households among Puget's millions -- over a million
19 customers. But this case is very important to those
20 individual customers. So I caution against saying this
21 is a small case or an inconsequential case.

22 Public Counsel continues to request that the
23 Commission consider bringing a separate complaint for
24 rule violations. Ms. Hoyt for Staff provided a good
25 explanation today about the valuation -- I'm sorry, the

1 violations Public Counsel noted with respect to the
2 Argunov account relating to WAC 480-100-178(5)(a).

3 The other violations identified by Public
4 Counsel of WAC 480-100-178(1)(i)(ii), WAC
5 480-100-148(2)(c), and WAC 480-100-133 pertaining to
6 meters not being in good working order and estimating
7 bills for over a year deserve consideration along with
8 the violations found by Commission staff.

9 Asking the Commission to issue a complaint does
10 not decide liability or culpability, only that there are
11 issues to pursue and potential penalties to impose. The
12 Commission issues complaints on what's akin to probable
13 cause that there is probable cause to believe that the
14 regulated company has violated the identified
15 requirements. Public Counsel believes that the
16 Commission has probable cause to proceed with the
17 complaint in this matter.

18 Thank you for the opportunity to address the
19 Commission. And I will conclude my remarks.

20 JUDGE HOWARD: All right. Thank you.

21 That would conclude our closing statements. I
22 would offer as -- does Mr. Johnson want to make any
23 closing remarks? I raised that earlier. I did not hear
24 anything.

25 MS. ARGUNOV: I think, Your Honor -- I think

1 he -- he was off the meeting around 12:30 because he said
2 his wife was in the hospital with her brother and he had
3 to go to the meeting.

4 JUDGE HOWARD: Okay. Okay. I just wanted to
5 raise that one more time.

6 Is there anything else that we should address
7 before we adjourn today?

8 All right. Hearing nothing, I would like to
9 thank all the parties, their witnesses.

10 MS. ARGUNOV: Does anyone else have problem
11 with network?

12 MS. GAFKEN: I believe Judge Howard has
13 frozen.

14 MR. STARKEY: We're having the same issues
15 over here.

16 JUDGE HOWARD: Sorry. Was someone trying to
17 raise something?

18 MR. STARKEY: Your Honor, you just froze for a
19 while there.

20 MS. ARGUNOV: We couldn't hear you.

21 MR. STARKEY: For a few seconds.

22 JUDGE HOWARD: Okay. I'll start from the top
23 here.

24 So I was thanking all the parties for their
25 participation in this proceeding. And I was letting

1 parties know that under Commission rule, I need to issue
2 my decision within 60 days of the close of the record,
3 which would be today. We don't have any further briefing
4 on the schedule for this case. So my decision is going
5 to be based on everything submitted up through the close
6 of the hearing today. And I do hope to get a decision
7 out in a timely manner. I do have some other pending,
8 pressing cases as well. But I also consider this case
9 important and I do want to get a decision out in a timely
10 manner.

11 So unless the parties have anything further, we
12 are adjourned. Thank you.

13 (The hearing concluded at
14 2:24 p.m.)

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C E R T I F I C A T E

STATE OF WASHINGTON
COUNTY OF KITSAP

I, Carisa Kitselman, a Certified Court Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the videoconference hearing is true and accurate to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 28th day of March, 2023.



CARISA KITSELMAN, RPR, CCR #2018

