

Docket No. U-180525 - Vol. II

**Rulemaking Re Existing Consumer Protection and Meter
Rules**

July 13, 2020



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BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

RULEMAKING TO MODIFY EXISTING CONSUMER PROTECTION
AND METER RULES TO INCLUDE ADVANCED
METERING INFRASTRUCTURE

DOCKET NO. U-180525
TELEPHONIC ADOPTION HEARING, VOLUME II

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A P P E A R A N C E S

COMMISSIONERS:

DAVID DANNER, Chair
ANN E. RENDAHL, Commissioner
JAY BALASBAS, Commissioner

ADMINISTRATIVE LAW JUDGE:

GREGORY J. KOPTA

COMMENTS OFFERED BY:

SHAWN BONFIELD, Avista
KARA DURBIN, Puget Sound Energy
NINA SUETAKE, Public Counsel
SIMON FFITCH, Energy Project
MICHAEL MURRAY, Mission:data Coalition

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1 LACEY, WASHINGTON; JULY 13, 2020

2 9:30 A.M.

3 --oOo--

4 P R O C E E D I N G S

5

6 CHAIR DANNER: Let's begin, then. Good
7 morning, everyone. This is Monday, July 13th, 2020, and
8 this is a rulemaking adoption hearing in Docket U-180525
9 dealing with advanced metering infrastructure or AMI.

10 I'm Dave Danner. I'm Chair of the
11 Commission. I'm joined by my colleagues, Commissioner
12 Ann Rendahl and Commissioner Jay Balasbas.

13 So this morning we are going to review the
14 latest and possibly final draft of the AMI proposed
15 rules.

16 Why don't we start -- Judge Kopta, I will
17 turn to you and ask you to give a status report on where
18 we are this morning.

19 JUDGE KOPTA: Thank you, Chair Danner and
20 Commissioner Rendahl and Commissioner Balasbas. I'm
21 Greg Kopta, administrative law judge and the co-lead for
22 Staff on this rulemaking, which began almost exactly two
23 years ago. And the genesis was the Commission's
24 approval of advanced meter infrastructure that is
25 provided or that can be provided by electric utilities.

1 No gas utility has yet sought permission to provide
2 advanced meter infrastructure.

3 We received -- the Commission received three
4 sets of comments. There was also a public comment
5 hearing, and we had two workshops, and then the
6 Commission issued the CR-102 proposing rules to -- or
7 changes to the rules in WAC 480-100, which are the
8 electric rules, and 480-90, which is the gas rules, to
9 address the issues that we have been discussing. And
10 those primarily have had to do with disconnection of
11 service, reconnection of service, and protection of
12 confidential information.

13 And while AMI was the genesis for this
14 rulemaking, the Commission and our Staff certainly has
15 been looking at the rules as they exist. They're sort
16 of parallel rules in the gas and electric sections, and
17 updating those as they apply not just to AMI or a remote
18 disconnection and reconnection, but any kind of
19 disconnection or reconnection as well as any
20 confidential information or proprietary information that
21 the utility holds.

22 The Commission received comments on the
23 CR-102 on June 22nd. Staff subsequently summarized
24 those comments in a matrix and included Staff's
25 recommended response to those. That has been filed in

1 the docket along with some suggested revisions to the
2 proposed rules, which are in more of the nature of
3 clarifications, so not anything that would preclude the
4 Commission at this point from adopting the rules as
5 proposed in the CR-102.

6 So with that, I am available for questions.
7 I do want to thank the other members of the team,
8 Bridget Feeser, my co-lead, Nash Callaghan, Amy Andrews,
9 Ryan Grimes, Andrew Roberts, and Elizabeth O'Connell and
10 for their hard work because we have put in a lot of time
11 and effort, and I think that the rules as they are
12 proposed are ones that the Commission ought to adopt.

13 I also note that there -- I'm sure that
14 there are stakeholders that wish to comment. I know
15 that Mr. ffitch has reached out to make sure that we
16 know that he would like to comment. And since this is a
17 virtual hearing, we don't have a sign-in sheet, so we'll
18 have to make due, but I'm sure there are others besides
19 Mr. ffitch who wish to speak.

20 I would ask, because Staff is keeping track
21 of the folks that comment, if -- when you speak, you let
22 us know how to spell your name if it's something that's
23 at all unusual, then that will help us so that we get
24 the information accurate.

25 So with that, I am prepared to answer any

1 questions that you all have.

2 CHAIR DANNER: All right. Thank you very
3 much.

4 Let me turn the my colleagues.
5 Commissioners, do you have any questions for Mr. Kopta?

6 COMMISSIONER RENDAHL: This is Commissioner
7 Rendahl. Not at this time.

8 COMMISSIONER BALASBAS: This is Commissioner
9 Balasbas. I also do not have any questions at this
10 time.

11 CHAIR DANNER: All right. Thank you.

12 With the -- nor do I.

13 So thank you for bringing up the issue of
14 the sign-in sheet. This is a virtual hearing. We do
15 not have the benefit of a sign-in sheet, and so I am
16 going to basically -- I will start by calling on those
17 who I expect to be on the line, but for anyone on the
18 line who wishes to speak to the Commissioners or share
19 their comments in our hearing this morning, I will get
20 to you. I commit to that. So we have -- I'm looking at
21 the number of participants on this call. It is a large
22 number relatively, and -- but we will get to everybody
23 who wishes to speak this morning.

24 So with that, why don't we just turn to
25 the -- those who wish to share comments this morning.

1 So let me turn first to Avista. I think I saw
2 Mr. Bonfield's phone number this morning. Are you
3 there?

4 MR. BONFIELD: Good morning, Chair Danner
5 and Commissioners. I am here. Shawn Bonfield with
6 Avista Utilities.

7 CHAIR DANNER: So --

8 MR. BONFIELD: Can you hear me okay?

9 CHAIR DANNER: Yep, I can hear you fine.
10 Thank you.

11 MR. BONFIELD: Perfect. Thank you. Avista,
12 we do have three concerns we address in our written
13 comments filed in June. I'm going to focus specifically
14 on section -- Subsection 6 of the draft rules where I
15 think our main two concerns lie.

16 The first being the timeframe by which we
17 can remotely disconnect the customer. As mentioned in
18 the draft rules and in the comment matrix, it is 8:00 to
19 noon currently, and Avista has advocated for a period a
20 little bit longer than that, from 9:00 to 3:00 or beyond
21 that noon timeframe. And we think that's important for
22 a couple of reasons. The shorter the window for
23 potential disconnection, the more we lump those calls
24 back into our call center together. So if we can have a
25 longer window to disconnect, we can stagger those with a

1 certain number on each hour, which helps stagger phone
2 calls coming into the call center, which gets customers
3 connected to a live representative faster.

4 And also, I think the main part -- part
5 there is when it comes to reconnecting, customers get
6 reconnected within a matter of minutes once they satisfy
7 the obligation for which they're being disconnected for.
8 And so if a customer is disconnected in the early
9 afternoon, they have every opportunity to still get
10 reconnected. Whether that's in the normal course of
11 business hours or beyond, there's always the opportunity
12 for a customer to reach a live representative 24 hours a
13 day to satisfy payment and to get turned back on.

14 So the world of, you know, the 8:00 to 5:00
15 or 7:00 to 7:00, it's quickly changing, especially with
16 how customers communicate and engage with us. They do
17 it on their time all throughout the day, so by limiting
18 the number or the hours from 8:00 to 12:00, we -- we
19 feel it's limiting the ability or really the need for
20 when we can disconnect as customers have the option and
21 the ability to call or, you know, make arrangements to
22 satisfy those payments any time of the day and get
23 reconnected any time of the day.

24 I'll -- I'll pause there unless you want me
25 to address the second point just to make sure I allow

1 opportunity for feedback or question or comment.

2 CHAIR DANNER: Yeah, why don't you go ahead
3 and -- and give us all your concerns and then we will
4 turn to questions.

5 MR. BONFIELD: Okay, perfect. I'll do that.

6 The second one, and this may be most
7 important to us, is Subsection 6(b), and this relates to
8 the requirement to perform a field visit for those
9 customers identified as low income or receive energy
10 assistance in the prior two years. You know, I -- I
11 understand the concern for this. I'm sure we'll hear
12 more about this topic today, but it -- it -- you know,
13 one of the benefits of, you know, AMI meters is the
14 ability to remotely disconnect and reconnect. If we're
15 having to send a field personnel to a home, yes, we can
16 still remotely disconnect and reconnect, but you're now
17 eliminating the benefit of not sending an employee to
18 that home even for this small subset of customers.

19 And I had one of my analysts pull the data
20 this morning because I think the data should really
21 drive the decision on this one. And I looked at 2019.

22 In 2019, we had 11,501 touch points for
23 residential customers for a disconnect visit or a
24 disconnect warning activity where we visited a home and
25 didn't actually make a disconnection. Out of those, we

1 received 854 payments at the door. 164 of those being
2 cash, 448 being noncash, so by credit card, debit card,
3 check, or money order, and about 240 we -- it was
4 unidentifiable in our system.

5 And so it's a very small subset that has
6 made payments at the door, and I think what is important
7 for those that are paying, you know, really in any form,
8 is there's so many options to make payment today that
9 are all free, whether that be cash at a pay station, a
10 lobby, a dropbox, whether that be on the mobile app
11 through our IBR system, live with the CSR, whether it's
12 a checking -- a check, a checking account, a debit card,
13 a credit card, they're all free. And so the need to
14 visit these homes for those -- you know, a small subset
15 that need to make a payment at the door, there are
16 options available for all customers to do that.

17 So for that reason, we -- we would ask that
18 this provision be struck from the rules and not be
19 required of the utilities to perform that field visit.
20 And with that, I'll -- I'll turn to any questions you
21 have.

22 CHAIR DANNER: All right. Thank you very
23 much.

24 Commissioners, any questions for
25 Mr. Bonfield?

1 Okay. I'm hearing none, so thank you very
2 much. I think we've got the -- the gist of your
3 arguments and -- and I appreciate your participation
4 this morning.

5 All right. Let me now turn to Puget Sound
6 Energy, are you on the line?

7 MS. DURBIN: Good morning. Can you hear me?

8 CHAIR DANNER: Yes, good morning.

9 MS. DURBIN: Sorry, this is Kara Durbin with
10 Puget Sound Energy. Too many mute buttons this morning.
11 Good morning, Chair Danner, Commissioners Balasbas and
12 Rendahl. It's early, and I was on vacation last week,
13 so I'm rusty.

14 Good morning. The -- we just want to make a
15 couple of brief comments. We certainly appreciate the
16 Commission's thoughtful approach to this rulemaking over
17 the past couple of years. As Staff noted, there's been
18 multiple opportunities for stakeholder review and
19 comment on draft ruling as well as workshops.

20 I would just say at the outset having just
21 listened to Shawn speak on behalf of Avista, we would --
22 we would generally support Avista's comments both with
23 respect to the disconnect timeframe and the field
24 visits. We didn't emphasize those two points in our
25 last set of written comments, but we certainly

1 appreciate the comments they made and -- and agree with
2 them.

3 I just wanted to touch on a couple of
4 lingering issues for -- for Puget Sound Energy based on
5 our last set of comments and just note that we're
6 generally comfortable with the rule language as it
7 stands today with -- with the exception of a couple of
8 lingering issues.

9 First, with respect to customer consent, we
10 appreciate the revisions that have been made over the
11 last couple of generations to acknowledge forms of
12 written consent that may be paid electronically, and we
13 would encourage the Commission to consider just
14 broadening that definition of written consent slightly
15 to incorporate key press consent, which in our view is
16 an unambiguous way of locking consent.

17 So it's conveyed to the customer, you know,
18 over the telephone with a prompt indicating to them to
19 press the button on the telephone such as press 1 to
20 consent. So we -- we -- we -- we see more customer
21 interactions in moving in that direction and just
22 would -- would encourage you to consider that as an
23 appropriate way of -- of securing consent.

24 And then the second point I'd like to make
25 is -- is PSE remains concerned with the wording and

1 expectations in proposed WAC 480-100-153. It's
2 Subsection 19 that speaks directly to breach
3 notification, and we've taken a look at the red lines
4 that Staff provided last week, and based on our
5 preliminary review of those clarifying edits, we just
6 don't think that that really addresses our concerns.

7 We're still reviewing those changes and
8 thinking -- thinking it through also based on what we
9 provided in our written comments in June. So I can't
10 really comment in a lot more detail this morning, so
11 we'll -- we'll follow up very shortly, hopefully later
12 this week, in writing with comments in the docket, but
13 if we do continue to have concerns with this language.

14 So with that, I'm happy to take any
15 questions, and thank you for your time.

16 CHAIR DANNER: All right. Thank you very
17 much.

18 Are there questions for Ms. Durbin?

19 Okay. I'm hearing none. I have -- have
20 one, and it basically has to do with the key press
21 consent. We have all been working in the virtual world,
22 and we know sometimes we press buttons on our phone or
23 computer when we don't mean to, and then we find
24 ourselves committed to something we didn't intend to
25 commit to. What kinds of safeguards do you have that

1 would ensure that there's either a prompt that tells --
2 that -- that asks, you know, am I sure that that's what
3 I want to do, you know, as opposed to having something
4 that actually does have the risk of -- of somebody
5 consenting to something that they did not intend to
6 consent to?

7 MS. DURBIN: Yeah, that's a great question,
8 Chair Danner. I mean, I think our goal obviously is to
9 have a process that is clear so that our customers feel
10 like they're -- they're meaningfully answering the
11 question when they're asked to consent. And I think,
12 you know, on this draft ruling in what we're suggesting
13 with key press consent is still -- is still a bit
14 different from -- from -- from electronic like -- like
15 an Internet sort of consent.

16 We could consider a process where -- you
17 know, where there was a double consent, if you will.
18 Like it's a press 1 consent and then you get asked again
19 to confirm did you really mean to press 1. So I mean,
20 there are some things that we could build in like that
21 to make sure that that consent is meaningful and
22 informed because that -- that's our hope and
23 expectation. We don't want people to not know that
24 they're consenting to something. We just also want to
25 make it relatively easy for them when we're already, you

1 know, interacting with them in that way so that they can
2 provide that knowing consent.

3 So that's something that we're happy to
4 think through more and work on, but we're -- and we're
5 committed to doing that.

6 CHAIR DANNER: Thank you.

7 Then the other question is, what kind of
8 workaround -- if you had a press key consent and there
9 were customers who weren't comfortable with it, how
10 could they deal with you?

11 MS. DURBIN: That's a great question. I
12 mean, I -- I think they could certainly ask to speak
13 directly to a -- to a customer agent. I mean, we always
14 have that option, so you're in the automated sort of
15 mode, but you can also press a -- press a button to
16 speak directly to one of our customer care advisers. So
17 that would be one safeguard that I would note, and there
18 may be others that I'm -- that I'm not aware of, but
19 that's one avenue for sure that we would -- we consider
20 needs -- needs to be there even as we move towards more
21 of that sort of automation.

22 CHAIR DANNER: All right. And that's kind
23 of a general question about automation is for -- you
24 know, is for those who are uncomfortable with technology
25 what -- what options do they have.

1 So -- okay. Any other questions for
2 Ms. Durbin?

3 All right, then. Thank you very much.

4 MS. DURBIN: Thank you.

5 CHAIR DANNER: Let me turn to Public
6 Counsel.

7 MS. SUETAKE: Hello. Good morning.

8 CHAIR DANNER: Good morning.

9 MS. SUETAKE: I'm Nina Suetake. I wanted to
10 thank the Commissioners and Judge Kopta, Staff, and the
11 parties first for, as others have said, really careful
12 and thoughtful rulemaking process that we've all been
13 involved with. The successive iterations has
14 significantly strengthened the customer protections
15 included in these rules, and Public Counsel supports
16 most all of the protections provided in the draft rules.
17 Again, this is probably the most thoughtful rulemaking
18 process I've been -- I've participated with so far, and
19 I really appreciate it.

20 We do still have some concerns particularly
21 regarding medical certificates and aggregate data
22 privacy.

23 So first, with the medical certificates,
24 currently the draft rules require premise visits for
25 customers with medical conditions and prohibits

1 disconnects for customers only to the extent they obtain
2 medical certificates. And each of those medical
3 certificates only protects customers for 60 days unless
4 reviewed. So there's two parts to this; there's the
5 premise visit requirement and the prohibition against
6 disconnection. In either case, there's no consideration
7 for chronic conditions or serious health conditions that
8 may last longer than 60 days, which may make it
9 difficult to get back to a doctor.

10 So with -- regarding the premise visit, the
11 draft rules currently do not apply the premise visit
12 requirements uniformly for the two classes of vulnerable
13 customers that are -- that are discussed. Currently as
14 the utility's aware that a customer has received low
15 income assistance in the prior two years, the utility is
16 required to visit the customer's premise prior to
17 disconnecting. The same two-year window does not
18 currently apply to medically vulnerable customers.

19 I'm not sure. I thought previous iterations
20 I thought treated them separately, but it seems that now
21 a premise visit and a prohibition of disconnection have
22 sort of been lumped together by tying them both to the
23 medical certificate.

24 Public Counsel strongly supports the -- the
25 premise visit protection for customers who have utilized

1 low income protection and has argued repeatedly for the
2 same level of protections to be extended to medically
3 vulnerable customers. The -- we definitely recommend
4 draft rules require a premise visit prior to
5 disconnecting any customer who has needed a medical
6 certificate in the last two years.

7 Our arguably medically vulnerable customers
8 have a higher risk involved with their disconnection of
9 their service than all other customers, and we want to
10 make sure that we don't inadvertently disconnect a
11 customer because they haven't needed to recertify
12 themselves because they have been -- they haven't had
13 any economic burdens or constraints to them paying for
14 their bills.

15 So we think that extending it back to two
16 years, and I -- would be a significant level of
17 protection that is necessary. Again, the rules can be
18 addressed in two separate -- two separate ways of
19 dealing with it. So you just say that as long as
20 they've had a medical certificate within the last two
21 years, we need to do a premise visit, and that
22 requirement can be separate from the actual prohibition
23 from this disconnection.

24 I mean, we strongly recommend that we extend
25 the duration of the medical certificate itself and the

1 prohibition against this disconnection more than 60
2 days. But, again, we acknowledge that you can separate
3 the two rules if you want to treat them differently, but
4 still tied to the medical certificate in the first
5 place.

6 Regarding field visits for customers of low
7 income programs, which was raised by Avista and PSE, we
8 strongly support a continued requirement for this
9 premise visit for low income customers. Part of -- this
10 was a huge reason that Public Counsel felt comfortable
11 supporting the use of remote disconnection because
12 medically vulnerable customers and economically
13 vulnerable customers need the -- would benefit from this
14 level of protection for this last-minute check on their
15 circumstances, check on their -- give them another
16 opportunity to pay in person by cash, through cash
17 means. I have a significant concern by removing all
18 premise visits completely for low in- -- customers who
19 needed the help of low income program.

20 Regarding aggregate data, Public Counsel
21 continues to have concerns about the lack of clarity
22 regarding the level of safeguards that utilities must
23 enact to ensure that aggregate data does not allow
24 specific customer information to be identified. The
25 rule currently states that utilities must have

1 sufficient policies, procedures, and safeguards in
2 place. It is not defined or explained what would make a
3 policy sufficient. I understand that we don't want to
4 bind companies to an inflexible standard, but we believe
5 that it's important to at least have -- set a minimum
6 floor of aggregate data anonymization.

7 Additionally, the current aggregate data
8 rules allow the disclosure of aggregate data to,
9 quote/unquote, facilitate voluntary efforts, but it
10 doesn't actually clarify what that means. Does it mean
11 efforts that a customer requests to voluntarily be -- to
12 participate in or does this mean that the company
13 unilaterally can decide to protect, participate in some
14 effort and use customer data to do so. I think it
15 would -- then that rule would benefit from a little bit
16 of clarification what it means by voluntary effort.

17 If -- those are the extent of my concerns
18 currently. I might have additional as raised by other
19 parties, but I'm happy to field any questions that the
20 Commissioner or ALJ might have.

21 CHAIR DANNER: All right. Thank you very
22 much.

23 Are there questions for Public Counsel?

24 Okay. I'm not hearing any, Ms. Suetake, but
25 thank you very much, and we'll see how the morning goes

1 and if we need to get back to you.

2 Let me also just mention right now, I think
3 we have a court reporter who is taking down what is
4 being said this morning. I just want to make clear that
5 if -- if you have any problems with people speed talking
6 or otherwise, just speak up and we will address that.
7 We do also have a backup recording that Ryan is making
8 of -- of our hearing this morning.

9 All right. Let me then turn to The Energy
10 Project.

11 MR. FFITCH: Thank you. Good morning,
12 Chairman Danner and Commissioners Rendahl and Balasbas
13 and Judge Kopta as well. I want to echo the remarks of
14 other speakers thanking the Commission for taking up
15 this important topic. When new technology is
16 introduced, the Commission certainly has a key role in
17 fully -- fully evaluating the cost and risk of the --
18 the new technology, whatever it may be. And --

19 CHAIR DANNER: Wait, Mr. ffitich, would you
20 identify yourself for the court reporter?

21 MR. FFITCH: Yes, I apologize. Simon
22 ffitich, spelled f-f-i-t-c-h, speaking on behalf of The
23 Energy Protect.

24 And so just to sort of finish up that first
25 point, I -- it is really important for the Commission to

1 exercise a key role in evaluating the impact of new
2 technology on consumers and, you know, the new
3 technology often brings benefits but also cause some
4 risks, and we appreciate the thorough job that the
5 Commission has done with this rulemaking in looking at
6 AMI impacts.

7 The proposed rules, as Public Counsel's
8 noted, enhance consumer protection a number of important
9 ways, particularly requiring premise visits for
10 vulnerable customers, limiting hours of reconnect --
11 excuse me, of remote disconnect, removing the limit on
12 the number of medical certificates, and eliminating fees
13 for -- for reconnect. And The Energy Project strongly
14 supports those new improvements through the consumer
15 protection rules.

16 And I wanted to respond to a couple of
17 points that were made earlier, in particular by Avista,
18 on the question of field visits. This has been an area
19 of emphasis for The Energy Project throughout. We
20 strongly support the proposed rule requiring premise
21 visits for low income customers and for medical
22 certificate customers, and I'll come back to medical
23 certificate people in a minute.

24 We actually strongly advocated for even
25 broader requirement premise visits, and that is because

1 the data that is in this record and the data that this
2 Commission has seen over the last few years actually
3 very strongly supports premise visits in two different
4 respects; one is, it's a very effective tool in
5 preventing disconnection; and secondly, it's an
6 effective tool in bringing revenue into the company and
7 saving costs of the whole disconnection process as it
8 related credit and collection costs of expense that the
9 company goes through.

10 The statements from Avista cited some data,
11 some recent data, and I just want to comment that we
12 actually have data in the record on -- on premise
13 visits. We have the data from the 2013 era, which was
14 much more comprehensive. We also have data from the
15 initial round of comments in this case where the
16 Commission asked questions of the company -- of the
17 companies on this point. And Avista's response in that
18 earlier set of comments was that 13 percent of their
19 customers avoided disconnection by making payments at
20 the premises.

21 So I think it's important to look at -- you
22 know, if the Commission's thinking about this further, I
23 think it's important to look at the more comprehensive
24 data that is available on this point. I think it
25 supports the draft rule, I think that anecdotal

1 information that has come in at the hearing is -- is not
2 as persuasive as the more in-depth information that's in
3 the record on that point.

4 Also, with regard to the hours of
5 disconnection, I think the rule strikes a good balance.
6 While some folks may be operating on a 24/7 fully
7 electronic basis, I think that the reality, especially
8 for many low income customers and the ways that they
9 need to get access to funds to pay bills or to go to pay
10 stations or things of that nature, I don't think the
11 24/7 option is always available to some of those
12 customers. So by limiting disconnection to the morning
13 hours, it gives people more of an opportunity to try to
14 take care of the bill the same day and get reconnected
15 the same day. Just improves that opportunity.

16 And I think while the premise visit is going
17 to be there for -- preserved for a number of customers,
18 the reality is that premise visit is going away for
19 many, many tens of thousands of customers. And so
20 that's an additional reason why they need that
21 additional grace period, if you will, in the afternoon
22 after morning disconnect to try to take care of their
23 business and get the -- the electricity reconnected.

24 So just to sum up, we support many of the
25 enhanced protections that are in the Commission's rules.

1 We do have some additional suggestions where we would
2 like to respectfully request the Commission to take this
3 opportunity to further strike from the rules before
4 final adoption.

5 We addressed in our comments three areas;
6 establishing a minimum arrearage before disconnection,
7 secondly, clarifying that cash is an appropriate method
8 of payment through a premise visit, and thirdly, we had
9 some comments on the medical certificate rules.

10 And I won't repeat our written comments in
11 detail on these points, but I would like to emphasize a
12 couple of issues on medical certificates. First of all,
13 I wanted to echo in support of Public Counsel's
14 recommendation that premise visits be required for
15 customers -- not just current active medical certificate
16 customers, but customers who have recently had a medical
17 certificate. This is erring on the side of safety
18 rather than erring on the side of terminating service,
19 and I think that's just a good policy place to be.

20 The original proposal was for medical
21 certificates within the past two years to get a premise
22 visit. The current rule has gone all the way down to
23 you've got to have one right now otherwise you don't get
24 a premise visit. We support something better than just
25 the active present medical certificate. Two years --

1 within the past two years would be great. Our written
2 comments recommend six months, perhaps a compromise
3 between the Public Counsel position and the current
4 rule, but we do think there ought to be some
5 liberalization of that premise visit requirement.

6 There's also another important change that
7 we would recommend for the medical certificate rule, and
8 that is the length of time that protection -- maximum
9 length of time for the protection. The existing rule,
10 and that's not changed by the proposed rules, is that
11 it's a 60-day maximum after which the customer has to
12 renew the certificate. We just think that that is
13 onerous and difficult for people with serious medical
14 conditions. They have to go back to the medical
15 provider perhaps repeatedly, perhaps facing challenges
16 of cost, mobility, their own medical condition in order
17 to renew the certificate every 60 days.

18 Washington is -- is substantially more
19 restrictive on this issue than many other states. One
20 good example is Oregon, which we cited in our comments,
21 and Oregon has a six-month max for nonchronic conditions
22 and 12-month for chronic conditions. So we have
23 proposed in our -- in our written comments that
24 Washington adopt kind of a middle ground, the maximum of
25 six-month medical certificate time period.

1 And of course this is a maximum, so the
2 medical provider can, you know, look at the individual
3 customer and set a shorter period of time. And that's
4 also important to keep in mind in understanding the rule
5 and this recommendation.

6 So I'll stop there. Those are our areas of
7 emphasis and concern, and I'm happy to answer any
8 questions that the Commissioners or the judge might
9 have.

10 CHAIR DANNER: All right. Thank you very
11 much.

12 Commissioners, do you have any questions for
13 Mr. ffitich?

14 Okay. I'm hearing none. Thank you very
15 much, Mr. ffitich. Appreciate your comments.

16 And let me now turn to the Mission:data
17 Coalition, are you on the line?

18 MR. MURRAY: Yes, good morning. Can you
19 hear me?

20 CHAIR DANNER: Yes, good morning.

21 MR. MURRAY: Good morning. This is Michael
22 Murray with the Mission:data Coalition. Thank you for
23 the opportunity to -- to speak, and -- and I just had
24 two points that I wanted to make. Again, I thank the --
25 the Commission for considering this -- this topic.

1 Our primary concern has to do with
2 Subsection 153 of the draft rules, and our concern is
3 that if those are approved today, it will already be
4 substantially out of date and that is because of the
5 distributed intelligence, or DI, capabilities of
6 advanced meters about which we have just recently
7 learned. We understand that Avista is deploying these
8 meters, and many other utilities across the U.S. are --
9 are doing the same.

10 And so our first concern was that the -- the
11 detailed energy analysis that's capable of being
12 executed on these -- these smart meters with distributed
13 intelligence capabilities is not covered under the
14 definition of customer information, and so therefore,
15 it's not -- it's not protected. So customer information
16 in the rule includes usage in billing information, but
17 it wouldn't include information derived from algorithmic
18 calculations of voltage current and power flows that
19 occur on the meter.

20 So these electrical signatures should be
21 analyzed to determine things like when residents watch
22 television, what type of water heater they have,
23 potentially things like what types of medical equipment
24 they use. And Itron has -- the data manufacturer, has
25 already announced a partnership with a desegregation

1 software company that can pull out some of these
2 insights about how customers are using their electricity
3 use in their home. And so we're concerned that that was
4 not covered under the definition of customer
5 information.

6 And -- and so the second concern that we
7 have is that -- is market power concerns. So if we
8 think that failing to address distributed intelligence
9 in the rules would in effect be a decision to expand the
10 utilities' monopoly from the distribution of electricity
11 into energy management. So there is information
12 asymmetry that is information which the utility has
13 about how customers are using energy would not be
14 available to other energy management firms.

15 And so we're concerned that that would
16 create a very tilted playing field where only the
17 utility would be able to offer products and services
18 that help save energy in the best way and that the
19 market as a whole would have access to substantially
20 inferior information about customer energy [inaudible]
21 assurance.

22 And so, you know, efficiency and distributed
23 energy resources are obviously critical to meeting the
24 safe carbon goals, and our fear is that by not looking
25 at the distributed intelligence capabilities of meters,

1 we're actually creating some additional problems that we
2 think could be solved. And so that's why we'd asked in
3 our comments to -- to postpone Section 153 from approval
4 simply in order to gather some more information about
5 these technical capabilities and how to address some of
6 these concerns.

7 And I'll leave it there. Thank you very
8 much.

9 CHAIR DANNER: All right. Are there
10 questions for Mr. Murray?

11 Okay. I -- I have one. I just -- so on the
12 one hand, if the companies are gathering this
13 intelligence and you're saying that they can't share it,
14 how do they then share it with others in order to reduce
15 their market power? We kind of have a conundrum. Are
16 we just -- is the solution simply to ban these kinds of
17 al- -- algorithmic analyses?

18 MR. MURRAY: No, I -- I think the
19 capabilities that they offer can -- can provide a lot of
20 benefits to customers. Our concern is that it's the
21 utility and Itron, the meter manufacturer, that have the
22 sole ability to determine what software and -- and what
23 information is provided off of that meter. So it's a
24 bit like an app store where Apple gets to decide which
25 apps go on the iPhone and Itron and the utility would

1 have the exclusive ability to decide which apps go on
2 those meters, and that's not something that is addressed
3 in the rules.

4 CHAIR DANNER: All right. Thank you. Thank
5 you.

6 Any other questions for Mr. Murray?

7 All right. Hearing none, thank you very
8 much. I appreciate your comments this morning.

9 I think that is -- those are the folks who
10 have filed comments most recently. Let me ask, is
11 Northwest Natural Gas on the line?

12 MS. SIORES: Good morning, Chair Danner.
13 This is Natasha Siores with Northwest Natural Gas. We
14 are on the line and sort of been monitoring those -- the
15 conversation and the additional comments that have come
16 in since those June comments, and we don't have anything
17 additional to -- to add to the record at this point in
18 time.

19 CHAIR DANNER: All right. Thank you very
20 much.

21 And PacifiCorp?

22 Okay. Hearing nothing, is there anyone else
23 on the line who I -- I have not called on who wishes to
24 speak? And in order to do this with some order, if
25 there are a lot of you, let me start with those whose

1 last names begin with A through E? All right. No one
2 is speaking up. How about F, G, H, I, J, K? All right.
3 L, M, N, O, P? Q, R, S, T? All right. U, V, W, X, Y,
4 Z?

5 All right, then. I am hearing nothing, so
6 I'm assuming that all of those -- everyone who has
7 wished to speak has spoken; is that correct? All right.
8 That sounds like it's correct.

9 Ms. Suetake, did you have anything you
10 wanted to add? You said you wanted some -- an
11 opportunity to respond.

12 MS. SUETAKE: Oh, I just meant that if
13 anybody else raised issues.

14 CHAIR DANNER: Okay.

15 MS. SUETAKE: I don't have any additional
16 comments other than to say I support The Energy
17 Project's comments and I'm open to other questions.

18 CHAIR DANNER: All right. Thank you very
19 much, then.

20 It looks like we have then come to the end
21 of our hearing today unless there's anything, Judge
22 Kopta, you wanted to add or any comments from my
23 colleagues.

24 COMMISSIONER RENDAHL: This is Commissioner
25 Rendahl, and I just want to thank everyone for their

1 comments and their attention to the various details in
2 this rulemaking. It is very important that we get this
3 right going forward. I also want to thank the Staff for
4 all of their work on this over the last two years,
5 addressing all of the comments and all the issues, so
6 thanks very much.

7 CHAIR DANNER: All right. Thank you.

8 So, again, Greg Kopta or Jay Balasbas,
9 anything you want to add before we close?

10 COMMISSIONER BALASBAS: This is Commissioner
11 Balasbas. I -- I don't have anything to add. I will
12 just echo your comments, Commissioner Rendahl, as well
13 as Chair Danner and also to all of the people who have
14 commented both written and orally here at today's
15 hearing.

16 CHAIR DANNER: All right. Thank you for
17 that.

18 All right. That takes us to the close,
19 then. Thank you. It's been a very informative
20 conversation this morning, and I appreciate everybody
21 who has participated. So we will take this under
22 advisement, and without further ado, we are adjourned.
23 Thank you, everyone.

24 (Adjourned at 10:16 a.m.)

25

C E R T I F I C A T E

STATE OF WASHINGTON

COUNTY OF THURSTON

I, Tayler Garlinghouse, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript is true and accurate to the best of my knowledge, skill and ability.

Tayler Garlinghouse

Tayler Garlinghouse, CCR 3358



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