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October 23, 2000

Commission's Records Center
Washington Public Utilities Commission
1300 S. Evergreen Park Drive Southwest
P. O. Box 47250
Olympia, WA 98504-7250

Re: Electric Operations Rulemaking
Docket No. UE-990473
Chapter 480-100 WAC

Thank you for the opportunity to provide comments on the Third Formal Draft of proposed changes to Washington Administrative Rules in the above docket. As requested, we have limited our comments to issues of major concern to PacifiCorp. Attached is a copy of our comments on these significant issues.

We believe the contributions made by all parties during this process had a meaningful impact on the end result. We appreciate being included in the process and ask that you keep us informed of the next steps.

Sincerely,

Carole Rockney, Manager
Customer & Regulatory Liaison

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**Docket UE-990473 Electric Rulemaking
WAC Chapter 480-100 Electric Companies
3rd Formal Draft**

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Index

II. Consumer Rules

- 480-100-056 Refusal of service (combined with WAC 480-100-116 Responsibility for delinquent accounts)
- 480-100-071 ~~Discontinuance~~/disconnection of service
- 480-100-xx5 Reconnecting service after disconnection
- 480-100-072 Payment arrangements
- 480-100-xx6 Winter low income payment program
- 480-100-076 Service responsibilities
- 480-100-xx7 Consumer proprietary information
- 480-100-081 Service entrance facilities
- 480-100-091 Access to premises; identification
- 480-100-096 Electric utility's responsibility for complaints and disputes
- 480-100-101 Billing requirements and payment date
- 480-100-171 Complaint meter test (combined with WAC 480-100-111 Refund for inaccurate metering and WAC 480-100-166 Dispute as to meter accuracy)
- 480-100-311 Payment locations
- 480-100-xx8 Electric utility customer notification requirements

II. Consumer Rules

WAC 480-100-056 Refusal of Service (Combined with WAC 480-100-116 Responsibility for Delinquent Accounts)

- (1) An electric utility must refuse requests to provide service to a master meter in a building with permanent occupants when all of the following conditions exist:
- (a) The building or property has more than one dwelling unit;
 - (b) The occupants control a significant part of the electricity used in the individual units; and
 - (c) It is cost effective for the occupants to have the utility purchase and install individual

meters considering the long-run benefits of measuring and billing each occupant's electric use separately.

(2) The utility may refuse to provide service if:

~~(a) Doing so~~ Providing service will cause an adverse affect on other customers or does not comply with government regulations or the electric industry accepted standards;

~~(3) (b) The utility may refuse to provide service~~ In the utility's judgement, there are hazardous conditions at the site premises, or the applicant's or customer's wiring or electrical equipment is hazardous or of such nature that safe and satisfactory service cannot be provided;

~~(4) (c) The utility may refuse to provide service~~ The applicant or customer does not comply with the utility's request to provide protective devices to protect the utility's or other customers' properties from theft of damage;

~~(5) (d) The utility may refuse to provide service~~ The utility is unable to obtain all necessary rights-of-way, easements, approvals, and permits;

~~(6) (e) The utility may refuse to provide service~~ It is not economically feasible to ~~do so~~ provide service; or

~~(7) (3) (f) The utility may refuse to provide service to~~ The customer is known by the utility to have fraudulently obtained service as described in WAC 480-100-071, Disconnection of service;

~~(8) (3) The utility may not refuse to provide service to an~~ applicant or customer ~~when~~ because there are outstanding amounts due from a prior customer at the same premises, unless the utility can determine, based on objective evidence, that a fraudulent act is being committed, such that the applicant or customer is acting on behalf of the prior customer with the intent to avoid payment.

~~(9) (4) The utility may not refuse service to an applicant or customer because of a prior obligation to the utility.~~ The utility may not refuse service to a residential applicant or customer who has ~~two~~ three or less prior obligations in any one calendar year. A prior obligation is the dollar amount the utility has billed to the customer ~~but left unpaid~~ for which the utility has not received payment at the time of ~~disconnection of~~ the service has been disconnected. ~~for nonpayment.~~

COMMENT: PacifiCorp believes the Commission's intent in adopting prior obligation was that it apply to residential customers only. We do not believe that all customers should subsidize businesses who do not pay their electric bills and instead invoke prior obligation.

~~(5) The utility must allow the applicant or customer a minimum of two~~ three prior obligations in any one calendar year.

COMMENT: PacifiCorp believes this section is redundant.

Comments:

~~(1) Combined with WAC 480-100-116 Responsibility for Delinquent Accounts.~~

~~(2) Combined subsections 2-7 under subsection 2.~~

~~(3) Subsection 5 Added a minimum number of times prior obligation may be offered to applicants or customers.~~

WAC 480-100-171 Complaint Meter Tests (combining: WAC 480-100-171 Complaint Meter Test, WAC 480-100-166 Dispute as to meter accuracy, and WAC 480-100-111 Refund for inaccurate metering)

(1) An electric utility must test and report to the customer the accuracy of a meter within ~~fifteen~~ twenty business days after receiving an initial request from a customer. The utility must allow the customer to order one meter test free of charge during a twelve-month period. If the customer disputes the accuracy of the meter, the customer must allow the utility access for meter testing.

(2) The customer may, at the customer's option, either witness the meter test or designate a representative to witness the test. The customer may require the meter to be sealed upon removal in the customer's or the customer's representative's presence. The seal must not be broken until the test is made in the customer's or the customer's representative's presence, or until permission to break the seal has been granted by the commission. The utility must report the results of the meter test to the customer.

(3) A customer may request the utility to perform additional meter tests within twelve- months of the last meter test, but additional meter tests will not delay disconnection of service under subsection (9) of WAC 480-100-071, Disconnection of service. The utility must immediately inform the customer of any additional meter test charges. The commission may require the charges for additional test be waived upon appeal from the customer. If the customer elects to have the meter test performed, the utility will perform the test and report the test results to the customer within ~~fifteen~~ 20 business days ~~not including the transit time if the meter is shipped by a third party carrier to the utility's shop.~~ If the additional meter test results show the meter is performing accurately as described in subsection (2) of WAC 480-100-136, Initial accuracy of electric meters, the utility may charge the customer for performing the additional meter tests. The charge of the meter test must be listed in the utility's tariff. The utility may not charge the customer for any additional meter test that shows the meter is performing outside acceptable tolerance levels as defined in subsection (4) of WAC 480-100-136, Initial accuracy of electric meters.

COMMENT: PacifiCorp believes that the 15 days for the second meter test should be changed to 20 days to be consistent with the requirements for the initial meter test.

(4) If the customer disputes any meter test result, the utility or the customer may contact the commission to review the complaint. When the commission has notified the utility that a complaint has been received regarding the customer's meter, the utility will not change the meter in any manner unless authorized by the commission. If the utility violates this provision, the commission may consider it as supporting the customer's dispute since the change might affect the proof of the dispute. The commission may require the utility to perform an additional test and report the test results to the commission within ten business days.

(5) If a meter test reveals a meter error greater than specified as acceptable in subsection (2) of

WAC 480-100-136, Accuracy requirements for electric meters, the utility must repair or replace the meter at no cost to the customer. The utility must adjust the bills to the customer based on the best information available to determine the appropriate charges. The utility will offer payment arrangements in accordance with subsection (2) of WAC 480-100-072, Payment Arrangements.

(a) ~~If the utility must refund the customer back to can identify the date the customer's usage was first measured by a defective meter, limited to a maximum correction period of six months;~~ was first billed for a defective meter, the utility must refund or bill the customer for the proper usage from that date.

(b) ~~In cases where the customer will be billed for additional meter usage, the utility must bill to the date the customer's usage was first measured by a defective meter, limited to a maximum correction period of six months. If the utility cannot identify the date the customer was first billed for a defective meter the utility must refund or bill the customer for the proper usage, not to exceed six months.~~

(6) Reports - the commission may require the utility to provide meter test results to the commission in response to a customer's complaint. These reports will contain the name or address of the customer, the meter manufacturer's name, the manufacturer's and utility's meter number, the size or capacity of the meter, the date the meter was tested, the reading of the meter when tested, the accuracy of the meter as found, and the accuracy of the meter after adjustment.

Comments:

Changes to existing rule:

(1) Staff suggest combining the following rules into one:

WAC 480-100-171 Complaint Meter Test

WAC 480-100-166 Dispute as to meter accuracy

WAC 480-100-111 Refund for inaccurate metering

(2) Changed must initiate initial test in 10 days to initiate and report to 20 business days

(3) Deleted utility option of refusing meter test

(4) Added back in language regarding Co ability to refuse additional meter test requested by customer

(5) Deleted "initiate" in subsection (1) and changed to must test and report results to customer within ten business days. Extended time frame for testing the meter and reporting to the customer from ten days to fifteen days and allowed time for shipping meter from third party carrier.

(6) In subsection (3) added back in language regarding the additional test charge may be waived per commission

(7) In subsection (3) deleted the transit time (not in the original rule) for the additional test and added 5 days from original rule.

(8) Added if the customer requests additional meter tests, the utility must inform the customer of the meter test charges.

(9) Clarified that utility may use "best information available" to adjust bills due to meter inaccuracy.

(10) Changed and added language - if utility can identify the date of error must bill or refund

the proper usage ; if utility can not identify the error must refund or bill for the proper usage, not to exceed six months. Utility must also make payment arrangements.

(11) Clarified customer will not be billed for more than six months for additional meter usage as well as limiting refunds to six months.

(12) In subsection (1), added language stating that, if customer is disputing the accuracy of the meter, the customer must allow the company access to the meter.

480-100-XX8 Electric customer notification requirements

~~This section sets out requirements in specific circumstances for notices that utilities must provide to customers when utilities ask for approval from the commission. This section does not contain the notice requirements for other proposals set for hearing to increase any rate or charge, or to establish a banded tariff that includes an increased maximum rate (see WAC 480-80-125, Notice by utilities to customers concerning hearing), or for utilities that file an application to merge or consolidate any franchises, property, or facilities with any other utility (see WAC 480-143-210, Transfer customer notice requirement).~~

~~A utility may request an exemption from this section in accordance with WAC 480-100-XX1, Exemptions from rules.~~

~~(1) Customer notice before commission action:~~

~~(a) Each affected customer must receive at least thirty days notice before the requested effective date when a utility proposes to:~~

~~(i) Increase recurring monthly rates;~~

~~(ii) Restrict access to services (e.g. discontinuing a service, limit access to service by imposing a new usage level on existing services);~~

COMMENT: PacifiCorp does not support this proposed rule. There is currently a rule which requires utilities to file with the Commission at least 30 days prior to the effective date. If a broader notification to customers is desired at the time this 30 days notice to the Commission is provided, it would be feasible to notify customers using a newspaper ad which could run in local newspapers of affected areas. The other methods of notification proposed are not feasible. A bill insert would require that the Company effectively provide 60 days notice in order to run through all the billing cycles to meet the 30 day requirement. The bill message section of the bill can only accommodate 600 characters and the back of the billing envelope would not have adequate space either. The separate mailing would be expensive.

~~(b) Content of notice for increases in recurring monthly rates. Each customer notice must include, at a minimum:~~

~~(i) Date the notice is issued;~~

~~(ii) Utility name and address;~~

~~(iii) A clear explanation of the reason(s) the utility has requested the rate change (e.g. increase in labor costs, recovery of new plant investment, and increased office expenses;~~

- such as postage and customer billing);
- (iv) A comparison of current and proposed rates by service;
- (v) An example showing the monthly increase of an average customer's bill based on the proposed rates (e.g. "Based on the proposed rates, a typical electric-heat customer using an average of 1,500 kwhs per month would see an average monthly increase of \$10.38");
- (vi) When the rates will be billed (i.e., monthly or bi-monthly);
- (vii) Requested effective date and, if different, the implementation date;
- (viii) A statement that the commission has the authority to set final rates that may vary from the utility's request, and may be either higher or lower depending on the results of the investigation;
- (ix) A description of how customers may contact the utility if they have specific questions or need additional information about the proposal; and
- (x) Public involvement language. A utility may chose from (A) commission-suggested language, or (B) utility-developed language.

(A) Commission-suggested language:

If you would like to comment on this proposal, it is important for you to do so now. Comments must be submitted in writing or presented in person at the commission's open public meeting. If you have questions or you would like to be added to the mailing list for this case, you may contact the Washington Utilities and Transportation Commission at P.O. Box 47250, Olympia, WA 98504-7250; 1-800-562-6150; comments@wutc.wa.gov; or 360-664-3604(fax); or

(B) Utility-developed language must include the commission's mailing address and toll-free number (1-800-562-6150), and a brief explanation:

- (I) How to participate in the commission's process by mailing or faxing a letter or submitting an e-mail (comments@wutc.wa.gov); and
- (II) How to contact the commission for process questions or to be notified of the scheduled open meeting at which the proposal will be considered by the commission;

(c) Methods of notice permitted:

- (i) Bill insert;
- (ii) Bill message;
- (iii) Printing on back of the billing envelope; or
- (iv) A separate mailing to all affected customers.

(2) Customer notice after final commission action

Utilities should note that this subsection includes items from the commission's open public meeting agenda which includes the "no action" agenda.

- (a) ~~(a)~~ Each affected customer must receive notice within 60 days after on the first bill after final commission action when a utility increases rates for:

COMMENT: PacifiCorp believes that notification at the time of the first bill after Commission action is not feasible. Notification within 60 days would allow an appropriate amount of time for the utility to develop and finalize the notice.

- (i) Non-recurring charges (e.g. late payment fees, non-sufficient funds fees, and other one-time charge);
 - (ii) Local taxes;
 - (iii) Conservation program rates;
 - (b) Content of notice: At a minimum, notice after final commission action must include:
 - (i) The effective date;
 - (ii) A clear description of changes to rates or services; and
 - (iii) A utility contact number where customers may seek additional information;
 - (c) Methods of notice permitted:
 - (i) Bill insert;
 - (ii) Bill message;
 - (iii) Printing on back of the billing envelope; or
 - (iv) A separate mailing to all affected customers.
- (3) Commission assistance on customer notice. The commission's public affairs office is available to:
- (a) Assist utilities with customer notice questions;
 - (b) Review draft customer notice language; and
 - (c) Offer suggestions on draft customer notice language. If a utility would like assistance, it must submit a draft notice for review, at least two working days before the planned printing date.
- (4) Final copy of the customer notice. A copy of the final customer notification must be mailed to the commission's public affairs office at the same time the notice is issued to the affected customers.
- (5) Other customer notice. The commission may require notification to customers other than the one described in this section when the commission determines that additional customer education is needed.

Comments:

(1) This rule is designed to ensure that customers of a regulated electric utility proposing a change in its rates or services receive adequate information to understand the change and the effects that such a change may have on them and to determine whether or not to become involved in the commission's decision-making process. A good customer notice meets three basic ideas: to notify intent, to educate, and to involve consumers. Currently, customer notice requirements are contained in WAC 480-80-120, Notice to the public of tariff changes, and WAC 480-80-125, Notice by utilities to customers concerning hearing, governed by 80.28.060 RCW. It is staff's intent (chapter 480-80 WAC is currently opened for review) to repeal 480-80-120 and replace that requirement with the new proposed customer notice rules. In WAC 480-80-125, the formal hearing notice, staff will update the language and will recommend that it remain within chapter 480-80.

(2) Please see "Principles underlying customer notice practices".