

Mike Sommerville

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Graciela Etchart

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cc:

Subject: Prior Obligation Rulemaking

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STATE OF WASH.  
UTIL. AND TRANSP.  
COMMISSION

For UE 990473 and UG 990294

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Subject: Prior Obligation Rulemaking

Hello All,

My apologies for the last-minute email and the informal nature of these comments, as you know there are many things in play this week. Although we have not filed written comments this time, I wanted to let you know that I will attend tomorrow's open meeting and that Public Counsel continues to oppose the prior obligation rule in its current form. Our previous comments in this process well represent our position on this issue. To summarize:

1. Limiting prior obligation will increase costs. Utility billing systems will have to be modified, disconnection & reconnection visits and transaction costs will increase, complaints will increase, and the UTC's staff will bear increased monitoring, enforcement and complaint response costs.
2. Limiting prior obligation will not benefit customers. There is no evidence that uncollectables will decline or that any decline will be captured for ratepayers. Disconnections will push fixed cost recovery onto a smaller customer base. The goal of universal service will become less attainable, and most obviously, some customers will go without essential electric and gas service.
3. There is no evidence in the record to support an arbitrary level of access to prior obligation protections, and no evidence to suggest that the current rule unduly burdens the utility.

Finally, if the Commission's goals are to promote the responsible use of prior obligation as an effective consumer protection, in our view it should draft a rule that allows companies to identify problem cases and petition for waivers of their obligation to serve, rather than capture all consumers in a sweeping change that is an unnecessary and costly reduction of their access to an essential public service. The Commission need look no further than the proposed subsection (3) of the Refusal of Service rule for precisely the language it could employ. To wit:

(3) The utility may refuse to provide new or additional service for reasons not expressed in subsections (1) and (2) of this section, upon prior approval of the commission. The commission may grant the request upon determining that the utility has no obligation to provide the requested service under RCW 80.28.110. Prior to seeking commission approval, the utility must work with the applicant or customer requesting service to seek

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resolution of the issues involved.

I appreciate the chance to share our position with you, and again apologize for the last-minute and unusual delivery of the comments. I will be prepared to answer any questions you might have at tomorrow's open meeting.

Matt

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