



PUGET
SOUND
ENERGY

May 18, 2001

Ms. Carole J. Washburn
Executive Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

RECEIVED
01 MAY 21 AM 10:21
STATE OF WASH
UTIL. AND TRANSP.
OS 1135301

Re: Docket UE-990473-Comments on Service Responsibilities and Disclosure

Dear Ms. Washburn:

Puget Sound Energy, Inc. ("PSE" or "the Company") appreciates the opportunity to comment on the service responsibilities and disclosure of private information rules in the above noted docket. The proposed rules provided in the May 2, 2001, notice are a good starting point, but PSE believes some modest, but important changes to the proposals are necessary for these rules to meet the standards set forth in Executive Order 97-02 and to otherwise ensure the rules are consistent with the public interest. Attached, please find PSE's suggested revisions to the proposed rules that correspond to the discussion below.

Service Responsibilities—Proposed WAC 480-90-123 and 100-123

PSE is primarily concerned with proposed WAC 480-100-123 (3) (a) and (b) and proposed WAC 480-90-123 (2) (a) and (b). Such rules would change the current process for making determinations concerning the economic feasibility of requested service and the potential harm to existing customers resulting from such service. The effect of this change would be to diminish the ability of the utilities and service applicants to reach mutually beneficial agreements by requiring the parties to pursue an unnecessary and time-consuming administrative procedure. Such unnecessary administrative burden would not provide extra protection to customers or service applicants relative to the current rules. Rather, the proposed rule would only increase both legal and business expenses for customers and utilities, whose costs will ultimately be born by all customers.

The current rules concerning refusal of service due to economic unfeasibility or harm to existing customers (WAC 480-90-056 and 480-100-056) are not ambiguous. Under the current rules, the Commission has ultimate authority to determine (1) whether the requested service would be economically unfeasible or would harm service to existing customers and (2) if such service would be economically unfeasible, whether the utility may refuse to serve the requesting party. At the same time, the existing rules are flexible enough to allow utilities to make the initial determination as to whether the requested service would be economically unfeasible or would harm service to existing customers. This affords the utility an opportunity to work with the customer to reach a mutually beneficial agreement before having to resort to a costly administrative procedure. The process established under the existing rules is clear, provides adequate protection to customers, and is more efficient than the proposed rule.

PSE proposes amending the proposed WAC 480-90-123 and 480-100-123 to conform to the current system for making determinations concerning the economic feasibility of requested service and the potential harm to existing PSE customers resulting from such service. While PSE does not believe any changes to the existing language is necessary, the suggested revisions shown on the attachment retains the advantage of the current process while more directly stating that the current "may not be required" phrase refers to the Commission's authority.

Disclosure of Private Information

PSE has no desire or intention to sell its customer information to other parties or to otherwise provide such information to other parties for general marketing purposes. Therefore, PSE is supportive of the concept underlying this rule. However, the proposed rule reaches beyond the intended scope of the rule.

The first paragraph of the proposed rule goes well beyond protecting customers from utilities distributing private information through restricting a utility's own use of the information. Striking this first paragraph and beginning with the second paragraph of the proposed rule will clearly protect customers from a situation where utilities could distribute private, personal information about customers without limiting how the utilities use the information, as long as it does not result in disclosure.

In the second paragraph, PSE recommends changing the word "share" to "disclose." The reason for having the word "share" was to close any possible loophole for disclosing information other than outright selling the information. It seems more appropriate here to refer to the title of the rule (disclosure) which has the same effect but will provide internal language consistency.

Conclusion

PSE looks forward to working with Commission Staff and all other interested parties to help ensure changes to the existing rules are consistent with Executive Order 97-02 and are otherwise in the public interest. If you have any questions or if we can be of any assistance, please contact Phillip Popoff at 425-462-3229.

Sincerely,



George Pohndorf
Director, Regulatory Planning

Attachment

WAC 480-100-123 Refusal of service. (1) An electric utility may 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 new or additional service if:

(a) Providing service does not comply with government regulations or the electric industry accepted standards concerning the provision of service;

(b) In the utility's judgment, there are conditions at the premises that are hazardous or of such a nature that satisfactory service cannot be provided;

(c) 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 or damage;

(d) The utility is unable to obtain all necessary rights of way, easements, approvals, and permits;

(e) The customer is known by the utility to have tampered with or stolen the utility's property, used service through an illegal connection, or fraudulently obtained service and the utility has complied with WAC 480-100-128 (2), Disconnection of service; or

(f) Providing service would cause an adverse effect on other customers.

(3) ~~Upon request by an electric utility,~~ The commission may waive the utility's obligation to provide new or additional service when to do so would:

~~(a) Cause an adverse affect on other customers; or~~

~~(b) Not be economically feasible.~~

(4) The utility may not refuse to provide service to a residential applicant or residential customer 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.

(5) The utility may not refuse service to a residential applicant or residential customer who has three or fewer prior obligations in any one calendar year. A prior obligation is the dollar amount the utility has billed to the customer and for which the utility has not received payment at the time the service has been disconnected.

WAC 480-100-153 Disclosure of private information. ~~(1) An electric utility may not use private consumer information, as defined in subsection (3) of this section, to market services to its customers, except that the utility may use such information to market its own energy related services or products.~~

(2) A utility may not ~~share~~ disclose or sell private consumer information with or to its affiliates, subsidiaries, or any other third party for the purposes of marketing services or product offerings to a customer who does not already subscribe to that service or product, unless the utility has first obtained the customer's written permission to do so.

(3) Private consumer information includes the customer's name, address, telephone number, and any other personally identifying information, as well as information related to the quantity, technical configuration, type, destination, and amount of use of service or products subscribed to by a customer of a regulated utility that is available to the utility solely by virtue of the customer-utility relationship.

(4) This section does not prevent disclosure of the essential terms and conditions of special contracts as provided for in WAC 480-80-335, Special contracts for electric, water, and natural gas utilities.

(5) This section does not prevent the utility from inserting any marketing information into the customer's billing package.

(6) Electric utilities may collect and release customer information in aggregate form if the aggregated information does not allow any specific customer to be identified.