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October 1, 1999

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

**Re: Docket Nos. UE-990473—Review of WAC 480-100**

Dear Ms. Washburn:

Attached, please find Puget Sound Energy's (PSE or the Company) comments on Commission Staff's (Staff) First Draft document in the above referenced docket. Please note there is a great deal of material to address in these rules. We appreciate the magnitude and complexity of Staff's task to fully review these rules. PSE has endeavored to provide comments as comprehensive as possible at this time; however, our silence on any individual proposal should not necessarily be interpreted as support or disagreement. Staff's plan to work through this material over the next several months is appreciated.

After discussions with WUTC Staff, PSE is optimistic that the October 14-15 workshops will be productive. This forum will provide two important opportunities. First, the interested parties will be able to discuss Staff's and other parties' overall interests as well as the particular considerations driving specific proposals. Additionally, the workshops will allow the interested parties to more fully explore each others' interests and positions. Once this occurs, further comments should be even more useful in this process. Overall, the workshops can be quite helpful in forming a foundation for review and revision of these rules.

We look forward to continuing to work with various interested parties to help the Commission complete its review of these rules in accordance with Executive Order 97-02 and to ensure the rules are otherwise in the public interest. If we can be of any additional assistance, please contact Phillip Popoff at (425) 462-3229.

Sincerely,

Christy A. Omohundro  
Director, Rates and Regulatory Policy

# **PSE's Comments on Staff's First Formal Draft - Docket UE 990473 Electric Rulemaking Chapter 480-100 WAC Electric Companies**

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# **I. General Rules**

## **WAC 480-100-011 Application of rules**

These rules apply to any electric utility that generates, transmits, and distributes electricity and is subject to commission jurisdiction under RCW 80.04.010 and Chapter 80.28 RCW.

**Comments:**

*Rule revised based on water and other rule revisions*

## **WAC 480-100-xx1 Exemptions from rules (new rule)**

- (1) The commission may grant an exemption of any rule in this chapter, if consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- (2) To request a rule exemption, a person must file with the commission a written request identifying the rule for which an exemption is sought and giving a full explanation of the reason the exemption is requested.
- (3) The commission will assign the request a docket number, if needed, and schedule



the request for consideration at one of its regularly scheduled open meetings or, if appropriate under chapter 34.05 RCW, in an adjudication. The commission will notify the person requesting the exemption, and other interested persons, of the date the commission will consider the request.

(4) The commission will enter an order granting or denying the request or setting it for hearing, pursuant to Chapter 480-09 WAC.

**Comments:**

*New rule*

**WAC 480-100-016 Saving clause**

The commission may, after due notice and entering an order, impose additional or different requirements on any electric utility in response to a complaint or on its own motion. These rules do not relieve any electric utility from any of its duties and obligations under the laws of the state of Washington. ***(Comment: In general, the proposed language is much clearer than the existing rule. PSE suggests the additional language indicated above will help clarify, especially given the extensive, clear, process description Staff proposed for xx1, above.)***

**Comments:**

*Rule rewritten for clarity and consistency with other rulemakings.*

**WAC 480-100-xx2 Resolving disputes about the meaning of these rules (new rule)**

~~Cases of erroneous or doubtful interpretation of these rules by a utility, customer, or applicant, are subject to appeal to the commission by any interested and proper party affected. (1) Anyone who doubts, or believes they are harmed by, an electric utility's interpretation of these rules may ask the commission to decide whether the electric utility's interpretation is wrong. If the commission finds the electric utility's interpretation is wrong, the commission will order appropriate relief.~~

~~(2) Any electric utility that doubts, or believes it is harmed by, a customer's interpretation of these rules may ask the commission to decide whether the customer's interpretation is wrong. If the commission finds the customer's interpretation is wrong, the commission will order appropriate relief.~~

***(Comment: PSE suggests the existing language is clearer and more concise, thus should be retained. Staff's proposed language is extremely loose. We have three main concerns with this language. First, opening appeal up to "Anyone" eliminates the current language that basically requires the party to have standing. Second, allowing the word "harmed" as a reason for disputing the rules may not be advisable; for example, a customer could claim paying bills or properly installing wiring is harmful, thus***



creating unnecessary burden on the WUTC as well as utilities. Third, “wrong” introduces the possibility for applying value judgments, rather than finding if the rules are being interpreted and implemented accurately. Therefore, overall, PSE suggests the existing language is better.)

**Comments:**

Rule extracted from WAC 480-100-011 and revised.

**WAC 480-100-021 Glossary**

- (1) Applicant – any person who applies for service with an electric utility or who reapplies for service at a new or existing location after service has been discontinued.
- (2) Commission - the Washington utilities and transportation commission.
- (3) ~~(3)~~ Customer - any person, cooperative organization, business entity, or government entity that applies for, has been accepted and is currently receiving service.
- (4) Customer Complaint - to be defined a complaint, there must be some underlying rule, law, or tariff provision that has been violated. If no rule, law, or tariff provision has been violated, the action will be classified a customer inquiry.
- (5) Customer Inquiry - All communication with customers that might otherwise fall into the complaint category, except that no rule, law, or tariff provision violation is alleged or provides the foundation of the communication. Examples of inquiries include (but are not limited to) customers being upset with bills, disconnects, deposits, or outages that occur within the boundaries of rules, laws, and tariffs. **(Comment: These revisions were discussed in the workshop. PSE suggests that it is unfair to consider a utility's reasonable and professional attempt to enforce rules, laws, and tariffs as complaints against the utility. Such complaints, in fact, are not against the utility, but against the rule, law, or approved tariff provision.)**
- (4) Electric Utility - any business entity (e.g., corporation, utility, association, joint stock association, or partnership) or person, including a lessee, trustee, or court appointed receiver, that meets the following conditions:
  - (a) owns, controls, operates, or manages any electric plant for hire in Washington State; and
  - (b) is subject to the commission's jurisdiction.
- (5) Meter tests
  - (a) Periodic test - a routine test made in the regular course of a utility's operation.
  - (b) Complaint test - a test made as a result of a request by a customer.
  - (c) Installation test - a test made prior to the installation of a meter. New meters when received by a utility may be tested by an acceptable sampling plan prior to initial installation.
  - (d) Special test - any test other than a periodic, complaint, or installation test.
  - (e) Sample test - a test made as a result of the inclusion of a meter in a random

statistical sample.

(6) Payment arrangement - payment schedule by agreement between the customer and the electric utility.

(7) Payment plan - payment schedule by agreement between the customer and the electric utility under WAC 480-100-072(3).

Terms used in this chapter and defined in the public service laws of Washington State (*i.e.*, principally Title 80 RCW) have the same meaning here as in the statutes. Terms not defined in these rules or the applicable statutes have the meaning generally accepted in the electric industry, or their ordinary meaning if there is no meaning generally accepted in the electric industry.

**Comments:**

*Rule rewritten for clarity and updating.*

**WAC 480-100-026 Tariffs**

Tariffs filed by an electric utility must conform to the rules of this section and chapter 480-80 WAC Utilities General -- Tariffs, unless the commission has authorized deviation from the rules in writing.

**Comments:**

*Rule rewritten for clarity.*

**WAC 480-100-061 Contract for service**

An electric utility may execute a contract whenever the classification of service under which the customer or applicant is to be served requires that such service be taken for a specified minimum period. The utility must submit to the Commission a sample copy of each typical contract form currently in use.

**Comments:**

*Rule rewritten for clarity.*

**WAC 480-100-066 Distribution line extension tariff**

Each electric utility must file, as a part of its tariff, a distribution line extension rule setting forth the conditions under which it will extend its facilities to make service available to an applicant.

**Comments:**

*Rule rewritten for clarity.*



## II. Consumer Rules

### WAC 480-100-041 Information to Consumers

- (1) Each electric utility must provide the information needed for its customers and applicants to obtain adequate and efficient service.
- (2) Each utility must provide to each applicant relevant rate information and a consumer brochure detailing the rights and responsibilities of a utility customer. The consumer brochure must include information about the utility's regular business hours, the mailing address, the utility's toll-free number, the 24-hour emergency number(s) as well as an explanation of the ~~utility's processes~~~~rules that relate~~ to establishing credit, deposits, billing, delinquent accounts, disconnection of service initiated by the utility, cancellation of service by the customers, the dispute process and if the customer is still dissatisfied, the commission's informal and formal complaint procedures. ***(Comment: The existing rule refers to process rather than rules. PSE suggests that the utility's policy/process that implements or complies with the rule is more relevant to customers/applicants than the actual WAC rules.)***
- (3) At least once each year the utility must provide a bill insert advising its current customers how to obtain:
  - (a) a copy of the consumer brochure described in Section 2;
  - (b) a copy of the customer's applicable rate information;
  - (c) a copy of the electric rules, chapter 480-100 WAC; and
  - (d) a copy of the utility's current rates and regulations.
- (4) The utility must provide an applicant, upon request, a clear summary of the high and low bills ~~billing period usage for each quarter based on the actual consumption of the~~ applicant's service premise during the prior year. ***(Comments: PSE, as well as all the other utilities, commented in the workshop that we give high and low bills to applicants. Staff's proposed language to expand that information to provide quarterly highs and lows would not be possible with bi-monthly billing—there are only 6 bimonthly bills, where this requirement would require 8 bill quotes. Additionally, even for monthly billed accounts, there appears to be little benefit to customers in requiring the additional information but will increase costs. If Staff has evidence that this additional information is necessary it would be helpful to share it with the other parties. Also, PSE suggests applicants are far more interested in high and low BILLS, not consumption.)***
- (5) The utility must provide a customer, upon request, a detailed account of the customer's actual electric usage of the service premise.
- (6) ~~The utility must provide the commission copies of all pamphlets, brochures, and bill inserts provided to its customers.~~ ***(Comment: PSE is not aware of any problems Staff has had with utilities refusing to share billing inserts, etc., as Staff believes***



it necessary. PSE, however, is concerned with creating a rule that results in routine filings that are not necessary—which was expressed in the workshop. Perhaps it would be helpful if Staff could explain why this new reporting requirement would be practically used or useful in protecting the health, welfare, and safety of Washington’s citizens, meets the Executive Order review criteria, and would otherwise be in the public interest.)

**Comments:**

Changes to existing rule:

- (1) Reformatted the information utilities should provide to customers and applicants and how to obtain this information.
- (2) Clarified usage information utilities must provide to customers upon request.
- (3) Added that the utility must provide average high and low usage to applicants upon request.
- (4) Added that the utility must provide commission with copies of pamphlets, brochures and bill inserts it provides to customers.
- (5) Deleted Section (3)(a), (b)(i), and (b)(ii) of existing rule; this will be addressed in new notice rule.
- (6) Moved Section 5 of existing rule to WAC 480-100-101 Billing requirements and payment date (formerly Form of Bills).

**WAC 480-100-046 Application for service**

- (1) When an applicant orders service from the electric utility, the applicant will be responsible to conform to the rules and regulations that are in effect and on file with the commission.
- (2) The utility may require the following information when an applicant applies for service:
  - (a) the applicant’s name, address, and telephone number; and an alternative contact telephone number, if applicable, of the responsible party at the service premise;
  - (b) the date the service is requested to be effective;
  - (c) the type of service requested such as residential or commercial service and the type of equipment to be served at the service premise; and
  - (d) proof of identification. ~~The customer may choose which form of identification to provide to the utility.~~ **(Comment: If Staff believes it is necessary, this rule could include a list of possible forms of identification that should be acceptable. However, allowing the customer to choose the form does not seem particularly helpful; for example, as written, this rule would allow a customer to show anything with their name on it, and state it adequately demonstrates identification.)**
- (3) ~~(3)~~ The utilities must provide ~~the~~ the following service dates to ~~an~~ the applicant:

- (a) For service at a location where utility service facilities exist and will not have to be modified in any way to serve the applicant, the utility will provide a service date at the time of application. If the utility becomes aware that the service date cannot be met, they must notify the applicant/customer on or prior to the service date.
- (b) For service at a location where utility service facilities do not exist or require modification, the utility will provide the following service dates:
  - (i) Upon request, prior to applicant signing a service agreement, the utility will provide a range of dates that service could be made available.
  - (ii) Upon signing a service agreement with applicant, the utility will provide a date by which service will be made available. If the utility becomes aware that the service date cannot be met, it must notify the applicant on or prior to the service date.

**{Comment: If the WUTC Staff believes a rule pertaining to service dates is necessary, it is important to acknowledge the difference between an application for service at a location where facilities exist and are adequate versus those that require new/modifying construction. Timing on new construction may be affected by many variables outside the utility's control, including the customer's construction schedule. Therefore, it seems reasonable to differentiate the rule in this manner. Second, for new/modifying construction, it would be reasonable to differentiate dates for applicants that are not making a commitment to take service, which would require less precise estimates than applicants that are making a commitment.}**

~~(4) A customer may not resell electricity unless specifically authorized in the filed tariff of the utility. {Comment: PSE recommends this rule be moved to 076, under customer service responsibilities. This seems more like a responsibility of the customer than utility. }~~

**Comments:**

*Changes to existing rule:*

- (1) "Application" is not addressed in draft rule since utilities do not always require applications. In most cases, the utilities take orders by telephone.
- (2) Eliminated the sentence referring to flat rate service.
- (3) Moved the sentence referring to "customer using service prior to ordering" to the Disconnection of service rule, WAC 480-100-071 (2)(e).
- (4) Added that utility must provide service date and if it cannot commit to that date it must advise the customer.

**WAC 480-100-051 Deposit Requirements**



(1) Security deposit criteria for residential applicants and customers - An electric utility may not collect a security deposit if an applicant or customer for residential service:

(a) has had service with the utility within the prior twelve (12) months, unless during this time period ~~any six consecutive months~~: **(Comment: PSE suggests it would be helpful for Staff to explain why loosening these requirements as proposed is necessary and more appropriate than current requirements.)**

(i) the applicant or customer received two or more delinquency notices, or  
(ii) the applicant's or customer's service for a similar class was disconnected for nonpayment;

(b) can furnish a satisfactory guarantor ~~guarantor that has established credit with the utility as outlined in this section~~. If the customer has been disconnected, the guarantor is responsible for the ~~amount stated on the disconnect notice~~ closing bill, not to exceed the amount of the deposit as defined in section (4); or **(Comment: PSE's recommended language is consistent with the existing rule and provides utilities with a proper degree of flexibility. If Staff is aware of practical problems created by the existing language, it would be helpful to share it with other parties. Please note that combining Staff's proposed language here with proposed language in (a) would allow customers that have 3 disconnect notices in the past year to guarantee the deposit of another customer; however, under existing rules, Staff's proposed guarantor would not be credit worthy, and might have to pay a deposit him/herself. PSE also suggests changing the amount stated on the disconnect notice to the closing bill—customers (or the guarantor, in this case) should clearly be held responsible to pay for service taken after the disconnect notice is issued but before service is actually disconnected.)**

(c) has notified the utility of the inability to pay a deposit as provided in WAC 480-100-XX4 Winter low income payment program.

~~(2) Other requirements. Additionally, the utility may not collect a security deposit from an applicant who~~ **(Comment: This break does not appear necessary);**

(a) can demonstrate (1a) above with another electric or natural gas utility. The satisfactory credit reference must be quickly and easily checked. The utility may request that the reference be in writing;

(b) ~~(b)~~ can demonstrate full-time consecutive employment during the prior twelve months with no more than two employers, and the applicant is currently employed or has a regular source of income;

(c) Demonstration that applicant is a satisfactory risk through a satisfactory credit report that may be quickly and easily checked by the utility. A fee for such credit check, if any, will be included in the company's tariff approved by the commission. (Comment: PSE recommends that replacing credit cards with a more direct, efficient means of checking customer credit supports the goals of the Executive Order. Avista's proposal to use a credit scoring system probably adequately addresses Staff's concern of



properly balancing different kinds of credit history. Furthermore, it is important to note that if the other criteria that establish credit remain (as modified above) a customer would not be required to pay for a credit check—it would be an option available to the customer.) or

(c) owns or is purchasing the premises to be served.

(3) Security deposit collection. The utility may collect a security deposit from any applicant or customer where:

(a) there is a prior customer living at the residence, who owes a past due bill to the utility at the same address, or

(b) there is an unpaid, overdue balance owing to any electric or gas utility for a similar class of service.

(4) Security deposit criteria for non-residential applicants and customers- An applicant or customer for nonresidential electric service may be required to demonstrate that it is a satisfactory credit risk by reasonable means appropriate under the circumstances.

(5) Security deposit amount - Required security deposits for an applicant or customer may not exceed:

(a) ~~two-twelfths of estimated annual billings for monthly billing the service location's most previous twelve (12) twelve months actual usage for utilities billing monthly or an estimated amount if actual service did not exist; or~~

(b) ~~three-twelfths of estimated annual billings for bimonthly the service location's most previous twelve (12) months usage for utilities billing bi-monthly or an estimated amount if actual service did not exist.~~ **(Comment: PSE's**

**recommended language is consistent with the existing rule, thus preserves the inherent flexibility. If Staff has some evidence that this flexibility is or could reasonably become a problem, it would be helpful to share it with other parties.)**

(6) Security deposit payment arrangements - When an applicant or customer is required to pay a deposit but is unable to pay the entire deposit in advance of connection or continuation of service, the utility must allow the applicant or customer to pay fifty (50) percent of the deposit prior to service. The customer must pay the remaining balance in equal amounts over the next two months, on the dates mutually agreed upon between the applicant or customer and the utility. Alternatively, the applicant/customer and utility may make other mutually agreeable arrangements. **(Comment: PSE's proposed language is to reflect the current flexibility afforded in the rules. If Staff intended to eliminate this flexibility, it would be helpful to understand why.)**

(7) Alternative to security deposit - The utility must allow any customer or applicant who is required to pay a deposit but who is unable to pay the deposit, to prepay any installation charges and reasonably estimated regular service charges or budget billings. The utility must allow the customer or applicant to make payment at periods corresponding to the utility's regular billing period for the length of time during which a deposit would ordinarily have been required. The utility must then billed the customer in a normal fashion.

(8) Transfer of security deposit - When a customer moves to a new address within the



utility's service territory, the deposit, plus accrued interest less any outstanding past-due balance owing from the old address, must be transferred or refunded. **(Comment: PSE suggests it is inefficient to refund a deposit then collect it again.)**

(9) Additional security deposit - If a deposit or additional deposit amount be required after establishment of service, the reasons must be specified in writing to the customer and guarantor, if applicable. Any request for a deposit or additional deposit amount must comply with the standards outlined in this rule. ~~If the guarantor does not agree to be responsible for the additional deposit amount, the customer will be held responsible for paying the additional deposit.~~ The customer will be responsible for paying the additional amount. **(Comment: It does not seem appropriate for the utility to initiate communication with the original guarantor. This could create privacy issues for the customer. The customer should be responsible for the additional deposit, though having the original guarantor cover the higher amount would be acceptable.)**

(10) Security deposit payment date - Any security deposit or additional deposit amount required after service is established is due and payable no sooner than 5:00 p.m. of the sixth business day after notice of the deposit requirement is mailed from within the state of Washington or the ninth business day if mailed from outside of the state of Washington. If the utility delivers the notice in person to the customer, the deposit or additional deposit amount is due and payable no sooner than 5:00 p.m. of the sixth business day from the date of delivery.

(11) Interest on security deposits - Interest on security deposits collected from applicants or customers must:

- (a) accrue at the rate calculated as a simple average of the effective interest rate for new issues of one-year treasury bills, computed from December 1 of each year through November 30 of the following year. The commission will advise the utility each year of the specific rate;
- (b) earn the calculated interest rate during January 1 through December 31 of the subsequent year;
- (c) be computed from the time of deposit to the time of refund or when applied directly to the customer's account, and
- (d) be compounded or paid annually.

(12) Refund of security deposit - Deposits plus accrued interest must be refunded when there has been satisfactory payment or upon termination of service.

(a) Satisfactory payment is established when the customer has paid for service 12 consecutive months in a prompt and satisfactory manner as evidenced by the following:

- (i) the utility has not initiated disconnection proceedings against the customer; and
- (ii) the utility has sent no more than two notices of delinquency to the customer.

(b) Termination of service - Upon termination of service, the utility must return to the customer the amount on deposit plus accrued interest, less any amounts due

the utility by the customer.

(13) How security deposits are refunded - Any security deposit plus accrued interest must be refunded according to the following: ~~to the customer no later than fifteen calendar days following completion of twelve months of satisfactory payment in the form of a check issued and mailed to the customer or, if the customer requests:~~

(a) For continuing customers under (12) (a), above, the deposit will be applied to the customers account prior to issuance of the first bill after completing requirements under (12) (a); ~~available to the customer at the utility's local business office; or~~

(b) ~~(b)~~ For customers that will no longer be receiving service from the utility under (12) (b), above, the utility will apply the deposit plus interest to the customer's final bill. If the customer's final bill exceeds the deposit plus interest, the utility will mail a refund check for the difference to an address requested by the customer. ~~applied to the customer's account for service beginning in the 13th month.~~ ***(Comments: First, PSE suggests that changing the default from crediting accounts to mailing checks for deposit refunds may be an expensive and unnecessary change. It is much more cost effective and simpler for both customers and utilities to credit refunds to accounts rather than issue checks. Therefore, PSE recommends that the option to mail refund checks to customers continuing service should be dropped. Alternatively, if customers want refund checks, there should be an associated service charge (as approved in tariffs) to cover these additional costs to ensure other customers are not forced to bear them.***

***Second, for customers leaving the utility's service, PSE recommends that customers provide a forwarding address, to which utilities will send refund checks for deposits, if there is credit balance remaining after applying the deposit to final bills. In the workshop, utilities indicated the option for customers to pick up checks at local business offices is not utilized by customers.)***

**Comments:**

*Changes to existing rules:*

- (1) Reformatted Sections (1) and (3)
- (2) Changed the requirement of delinquent notices
- (3) Changed employment requirement to "full-time" consecutive employment
- (4) Clarified qualifications and responsibilities of the guarantor
- (5) Clarified how deposits are calculated
- (6) Eliminated the option of the customer providing credit cards as a means of establishing credit



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

- (1) Electric utilities 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 doing so will cause an adverse affect to other customers or if the service does not comply with government regulations or with the electric industry accepted standards.
- (3) The utility may refuse to provide service if, in the utility's judgement, there are hazardous conditions at the site, or if 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) The utility may refuse to provide service if 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) The utility may refuse to provide service if the utility is unable to obtain all necessary rights-of-way, easements, approvals, and permits.
- (6) The utility may refuse to provide service if it is not economically feasible to do so.
- (7) The utility may refuse to provide service to a customer that is known by the utility to have fraudulently obtained service as described in WAC 480-100-071, Discontinuance of Service.
- (8) The utility may not refuse to provide service to an applicant or customer when 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) Prior obligation relief: The utility may not refuse service to an applicant or customer because of a prior obligation to the utility if the customer is currently receiving or has received within the last six months, home energy assistance under WAC 480-100-xx4-Winter low income payment program.\* A prior obligation is the dollar amount that is owed by the customer but left unpaid at the time service is disconnected.\*. Customers that do not meet the home energy assistance requirements under WAC 480-100-xx4 will be required to pay the following before service will be reconnected:
  - (a) pay a security deposit;
  - (b) pay reconnection charge in accordance with the utility's tariff approved by the commission, if applicable;
  - (c) pay 25% of the net outstanding balance up to the time service was disconnected.

Net balance means amount owed minus a prior security deposit, if applicable; and, (d) make mutually agreeable payment arrangements with the utility for remainder of the amount owed. A prior obligation is the dollar amount that has been billed to the customer but left unpaid at the time of disconnection of service for nonpayment.

**(Comments: The Commission's current "prior obligation" policy is far broader than necessary—it can be improved. This policy, in effect, allows any customer that does not care about their credit to obtain utility service for rates that are far below compensatory—customers simply have to occasionally pay 50% of a security deposit. Thus, this policy extends far beyond providing protection and relief to poor households. PSE's suggestion to use home energy assistance as a reasonable means of identifying customers that should be eligible for the benefits of prior obligation relief is efficient, as it utilizes existing societal infrastructure. There may be other reasonable ways—PSE is open to exploring those alternatives with all the parties in this process. With all the parties participating in this process, PSE believes we should be able to create a more focused and reasonable policy.)**

\*Some stakeholders commented that prior obligation should be changed or limited in some way. Other stakeholders argue that the prior obligation rule has been in effect for about twenty years, and that there is no compelling evidence or reason to change it. Staff is open to discussion about how to limit or change prior obligation to prevent repeat abuse of this rule, if such abuse occurs and if it significantly affects the utilities or other customers adversely. In order to determine if that is the case, staff needs evidence from the utilities that would compel such a change (e.g., the actual number of cases and actual circumstances under which abuse occurs, total uncollectible amounts for gas/electric utilities with prior obligation as compared to those without it, the adverse affect it has on the utility or other customers supported by evidence provided by the utilities).

**Comments:**

*Changes to existing rule:*

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

**WAC 480-100-071 Discontinuance of service**

(1) Customer-directed: Customers who request service to be discontinued must notify the utility of the date service is to be discontinued. The customer is not responsible for usage after the requested date for disconnection. If the customer moves from the service address and fails to request that service be discontinued, the customer will be responsible to pay for service taken at that service address until the utility can either confirm that the customer has vacated the premise or that a new responsible party has moved in.

(2) Utility-directed without notice or without further notice: The utility may discontinue service without notice or without further notice when:

(a) after conducting a thorough investigation, it determines the customer has tampered with or stolen its property, or has used service through an illegal



connection.

- (b) after conducting a thorough investigation, it determines the customer has vacated the premises;
- (c) a customer pays a delinquent account with a check or electronic payment the bank or other financial institution has dishonored after the utility has issued appropriate notice as described in subsection (6) of this rule;
- (d) the customer has not kept any agreed upon payment plan for payment of a delinquent balance after a notice was mailed or delivered in person;
- (e) the utility has determined a customer has used service prior to applying for service. The utility must charge the customer for service used in accordance with the utility's tariffed rate schedule(s); or
- (f) after conducting a thorough investigation, the utility discovers that a customer has obtained service fraudulently. The utility has the burden of proving that fraud occurred. For the purpose of this section a nonsufficient fund check or electronic payment will not be considered fraud.

(i) First offense: The utility may disconnect service without notice when it discovers fraud, unless the customer immediately pays:

- (a) the tariffed rate for service that the utility estimates was taken fraudulently; plus
- (b) all utility costs resulting from the fraudulent use; plus
- (c) any applicable required deposit.

(ii) Second offense: The utility may disconnect service without notice when it discovers further fraud. The utility may refuse to reconnect service to a customer who has been twice disconnected for fraud subject to appeal to the commission.

This rule should not be interpreted as relieving the customer or other person of civil or criminal responsibility.

(3) Utility-directed with notice: After properly notifying the customer, as explained in subsection (5) of this section, the utility may discontinue service for any one of the following conditions:

- (a) delinquent regulated charges as billed under WAC 480-100-096 Electric utility responsibility for complaints and disputes, including any required deposit, except that the utility cannot disconnect service when the customer has met the requirements of subsection (4) of this rule for medical emergency or has agreed to or maintains agreed upon payment arrangements with the utility, as described in WAC 480-100-XX4 Winter low-income payment program.
- (b) electric energy use for purposes or properties other than those specified in the customer's service application;
- (c) under flat rate service for non-metered load, for increased electric use without the utility's approval;
- (d) willful waste of electricity through improper or imperfect wiring piping, equipment, or otherwise;
- (e) refusing to allow access to the customer's premise as required in WAC 480-



100-091 Access to premise;

(f) violating rules, service agreements, or filed tariff(s); or

(g) use of equipment that detrimentally affects the utility's service to its other customers.

(4) Combination utilities - Electric service may not be disconnected for any amount owing associated with regulated natural gas services.

(5) Medical emergencies - When the utility has cause to disconnect or has disconnected a residential service, it must postpone disconnection of service or must reinstate service as soon as practical~~within four hours~~ for a grace period of five business days after receiving either verbal or written notification of the existence of a medical emergency. When service is reinstated, the utility will not require payment of a reconnection charge and/or deposit prior to reinstating service but will bill at a later date. **(Comment: PSE is not sure why Staff choose four hours or sees the need to have a requirement. If Staff is aware of any problems in this area, it would be helpful to share those with other parties.)**

(a) The utility may require that the customer, within five business days, submit written certification from a qualified medical professional stating that the disconnection of electric service would aggravate an existing medical condition of a resident of the household. "Qualified medical professional" means a licensed physician, nurse practitioner, or physician's assistant authorized to diagnose and treat the medical condition without supervision of a physician. Nothing in this section precludes a utility from accepting other forms of certification, but the maximum the utility can require is written certification. If the utility requires written certification, it may require not more than the following information:

(i) Residence location;

(ii) An explanation of how the current medical condition will be aggravated by disconnection of service;

(iii) A statement of how long the condition is expected to last; and

(iv) The title, signature, and telephone number of the person certifying the condition.

(b) The medical certification is valid only for the length of time the health endangerment is certified to exist but no longer than 60 days unless renewed.

(c) A medical emergency does not excuse a customer from paying delinquent and ongoing charges. The utility may require the customer to do the following within the five-business-day grace period:

(i) pay a minimum of ten percent (10%) of the delinquent balance and enter into an agreement to pay the remaining delinquent balance within one hundred and twenty (120) days; and

(ii) agree to pay subsequent bills when due.

Nothing in this section precludes the utility from agreeing to an alternate payment plan, but the utility may not require the customer to pay more than what this subsection prescribes. The utility must send a notice to the customer confirming

the payment arrangements within two business days.

(d) If within the five-day grace period the customer fails to provide an acceptable medical certificate or ten percent (10%) of the delinquent balance, the utility may not disconnect service without first mailing a written notice providing a disconnection date not before 5:00 p.m. of the third business day after the date of mailing if mailed from within the state of Washington or six (6) business days if mailed from outside the state of Washington, or delivering a notice providing a disconnection date not before 5:00 p.m. of the second business day following the date of delivery.

(e) If the customer fails to abide by the terms of the payment agreement the utility may not disconnect service without first mailing a written notice providing a disconnection date not before 5:00 p.m. of the third business day after the date of mailing if mailed from within the state of Washington or six (6) business days if mailed from outside the state of Washington, or delivering a notice providing a disconnection date not before 5:00 p.m. of the second business day following the date of delivery.

(f) A customer may claim medical emergency and be entitled to the benefits described in this subsection only twice within any 120-day period.

(6) Disconnection notification requirements - The utility must notify customers before disconnecting their service except as described in subsection (2). Notification consists of the following requirements:

(a) The utility must serve a written disconnection notice on the customer either by mail or by personal delivery to the customer's address, with notice attached to the primary door. If the disconnection notice is for nonpayment during the winter months the utility must advise the customer of the payment plan described in WAC 480-100-072 Payment arrangements, and WAC 480-100-XX4 Winter low-income payment program. Each disconnection notice must include:

- (i) A disconnection date that is not less than eight (8) business days after the date of personal delivery or mailing if mailed from inside the state of Washington or a disconnection date that is not less than eleven (11) business days if mailed from outside of the state of Washington;
- (ii) All relevant information about the disconnection action including the amount owing and how to correct the problem;
- (iii) All relevant information about any charges that may be assessed; and
- (iv) The utility's name, address, and toll-free telephone number by which a customer may contact the utility to discuss the pending disconnection of service.

(b) If the utility discovers the notice information is inaccurate, the utility must issue another notice to the customer as described in section (5)(a).

(c) In addition to (a) of this subsection, a second notice must be provided by one of the three options listed below:

- (i) Delivered notice - The utility must deliver a second notice to the customer service premise and attach it to the customer's primary door. The notice



- must state a scheduled disconnection date that is not earlier than 5:00 p.m. of the second business day after the date of delivery; or
- (ii) Mailed notice - The utility must mail a second notice which must include a scheduled disconnection date that is not earlier than 5:00 p.m. of the third business day after the date of mailing if mailed from within the state of Washington or six (6) business days if mailed from outside the state of Washington. The date of mailing will not be considered the first day of the notice period; or
- (iii) Telephone notice -The utility must attempt at least two times to contact the customer at its residence during regular business hours. If the utility is unable to reach the customer, the utility will attempt to contact the customer using any business or message number provided. A log or record of the calls must be kept for a minimum of ninety (90) calendar days showing the telephone number called, the time of the call, and details of the results of each attempted call. When the utility has been unable to reach the customer by telephone, a written notice must be mailed to the customer providing a disconnection date not before 5:00 p.m. of the third business day after the date of mailing if mailed from within the state of Washington or six (6) business days if mailed from outside the state of Washington, or delivering a notice providing a disconnection date of not before 5:00 p.m. of the second business day following the date of delivery.
- (d) If the utility has not disconnected service within ten (10) business days of the disconnection date stated in subsection (5)(a)(i), the disconnection notice will be considered void unless the customer and the utility have agreed upon a payment arrangement. Upon a void notice, the utility must provide a new disconnection notice to the customer as provided in section (5).
- (e) When the service address is different from the billing address, the utility must determine if the customer of record and the service user are the same party. If not, the utility must notice the service user as described in (a) of this subsection prior to disconnecting service.
- (f) Except in case of danger to life or property, utilities may not disconnect service on Saturdays, Sundays, legal holidays, or on any other day on which the utility cannot reestablish service on the same or following day.
- (g) A utility representative dispatched to disconnect service must accept payment of a delinquent account at the service address if paid in cash, but will not be required to give change for cash paid in excess to the amount due and owing. The utility must credit any over-payment to the customer's account. When disconnection does not take place due to payment or payment arrangements made by the customer with the utility representative, the utility may assess a fee for the disconnection visit to the service address if provided for in the utility's tariff.
- (h) When service is provided through a master meter, or when the utility has reasonable grounds to believe service is to other than the customer of record,

the utility must undertake reasonable efforts to inform occupants of the service address of the impending disconnection. Upon request of one or more service users, where service is to other than the customer of record, the utility must allow five days past the original disconnection date to permit the service users to arrange for continued service.

(i) Medical facilities - When service is provided to:

(i) a hospital, medical clinic, ambulatory surgery center, renal dialysis facility, chemical dependency residential treatment facility or other medical care facility licensed or certified by the department of health, notice of pending

Disconnection will be provided to the secretary of the department of health and to the customer. The department of health secretary or designee may request a delay of disconnection for five business days past the original disconnection date to allow the department to take the necessary steps to protect the interests of the patients residing at the facility; or

(ii) a nursing home, boarding home, adult family home, group care facility, intermediate care facility for the mentally retarded (ICF/MR), intensive tenant support residential property, chemical dependency residential treatment facility, crisis residential center for children or other group home or residential care facility licensed or certified by the department of social and health service, notice of pending disconnection will be provided to the secretary of the department of social and health services and to the customer. The department of social and health services secretary or designee may request a delay of disconnection for five business days past the original disconnection date to allow the department to take the necessary steps to protect the interests of the patients residing at the facility.

(j) Any customer may designate a third party to receive a disconnection notice or other matters affecting the customer's service. The utility will offer all customers the opportunity to make such a designation. If the utility believes that a customer is not able to understand the effect of the disconnection, the utility will consider a social agency to be the third party. In either case, the utility must delay service disconnection for five business days past the original disconnection date after issuing a disconnection notice to the third party. The utility will determine which social agencies are appropriate and willing to receive the disconnection notice, the name and/or title of the person able to deal with the disconnection, and provide that information to the customer.

(7) Remedy and appeals - Service may not be disconnected while the customer is pursuing any remedy or appeal provided by these rules or while engaged in discussions with the utility's representatives or with the commission. However, any amounts not in dispute must be paid when due and any conditions posing a danger to health, safety, or property must be corrected. The utility will inform the customer of these provisions when the customer is referred to a utility's supervisor or to the commission.

(8) Payments at a payment agency - Payment of any past-due amounts to a designated payment agency of the utility constitutes payment when the customer informs the utility



of the payment and the utility has verified the payment.

**Comments:**

*Changes to existing rule:*

(1) *The requirement that the bills be paid within a minimum of 15 days has been moved to WAC 480-100-101 Billing requirements and payment date (Form of Bills).*

*Utility disconnecting service without notice:*

(2) *Reformatted text addressing reasons when the utility can disconnect with and without notice to customers.*

a. *Clarifies utilities are not required to provide disconnect notice if, after a thorough investigation, it has determined the customer has tampered with or vacated the property.*

b. *Allows utilities to disconnect without notice if a person is using service prior to ordering service. This is moved from WAC 480-100-041, Application for service.*

*Utility disconnecting service without further notice:*

(3) *Added "electronic payment" to (2)(c), when a customer pays with a check or electronic payment that has been dishonored by a financial institution.*

*Customer disconnecting service:*

(4) *Customers must provide the date service is to be disconnected.*

(5) *Customers are not responsible for service after the requested date for disconnection.*

(6) *If the customer moves without notifying the utility to disconnect service, the customer will be responsible to pay for service until the utility can either confirm the customer has vacated the premise or that a new responsible party has moved in.*

*Medical Emergency:*

(7) *Moved the section for medical emergencies (section (2)(h) of existing rule) to follow reasons for disconnection.*

(8) *Requires utilities to restore disconnected service within four hours after being notified of medical emergency situation.*

(9) *Lengthened time of medical certificate from 30 days to 60 days.*

(10) *Restricted customers who delay disconnection of service for medical emergencies from no limited amount of times to two times within 120 days.*

(11) *If utility does not receive medical certificate or ten percent payment of delinquent balance within 5 business days, the utility can disconnect service upon mailed a 3-day notice or personally delivering a notice allowing one business day prior to disconnecting service.*

(12) *If the customer fails to abide by the payment agreement of the medical emergency, the utility can disconnect service upon mailed a 3-day notice or personally delivering a notice allowing one business day prior to disconnecting service.*

*Notice procedures:*

(13) *When the utility mails a notice of disconnect from outside of the Washington State, it must add three business days to the notice due date.*

(14) *Reformatted the procedures for disconnection.*

(15) Utility is no longer required to mail notices; personal delivery is now another option with same due date as if mailed.

(16) Utility is allowed the option of mailing an additional notice or personally delivering a notice if it cannot reach the customer by telephone prior to disconnecting service.

(17) Updated information as to when and how the utilities should provide notice to medical facilities and relevant state offices.

(18) Required utilities to restore service, after causes of disconnection have been removed, to one business day.

(19) Current 480-100-072 Discontinuance of service (4) moved to new rule.

### **WAC 480-100 xx3 Reconnecting service after disconnection**

An electric utility must restore a disconnected service within one business day after the customer has paid, or at the time the utility has agreed to bill, any reconnection charge when:

(1) the causes for disconnection not related to a delinquent account are removed;

(2) the customer pays all regulated charges, including any required deposit;

(3) the customer has entered into an agreed upon payment arrangement for a delinquent account and any required deposit; or

(4) the delinquent account has been designated a prior obligation account as defined in WAC 480-100-056 Refusal of service, and the customer has paid or made arrangements for a deposit.

#### **Comments:**

*New rule created out of current WAC 480-100-072 Discontinuance of service (4).*

### **WAC 480-100-072 Payment arrangements**

(1) If a customer is billed for both gas and electric service and pays a portion of the total amount billed, the electric utility must allow the customer the option of applying the payment to the service of their choice. ~~If the customer makes a partial payment and does not choose which service the payment will apply to, the utility must apply the payment to both services on a prorated basis according to the amounts billed for each service.~~ **(Comment: This requirement does not reflect the reality of modern accounting systems in combination utilities. While it is possible to accommodate special customer requests to allocate payments to different services, establishing this allocation as the default action would be quite costly. While this requirement would be costly, it is not clear customers—even those making partial payments—would derive any benefit from this cost. Therefore, PSE suggests this requirement is probably not in the public interest.)**

(2) ~~If due to utility error~~ the utility is delayed in billing the customer, the utility must offer



payment arrangements that are equal to the length of time the customer waited for the bill. **(Comment: There seems little reason to limit this issue to billing delays caused by "utility error.")**

(3) The utility must offer all residential customers the option of an equal payment plan.

~~(a) In general, an equal payment plan allows the customer to pay the same amount each billing cycle month based on historical usage. If historical information is not available, the utility will base the amount on projected usage.~~

~~(b) The utility may refuse to offer the equal payment plan to customers who have been removed from the equal payment plan for nonpayment within the past six (6) months or have more than a two-month balance on their current account. However, the utility may offer the equal payment plan to any customer when it believes this would be in the best interest of all parties concerned. **(Comment: The revisions above are necessary to retain the operational flexibility in the current rules. Please note this operational flexibility has been approved by the Commission in both of PSE's tariffs. If Staff is aware of problems caused by this flexibility, it would be helpful to share it with other parties.)**~~

(4) When a customer contacts the utility regarding a delinquent account or to avoid a delinquent account, the utility must offer extended payment arrangements appropriate for both the customer and the utility.

~~(a) The customer may enter into a six month payment arrangement on a delinquent account one time prior to disconnection of service.~~

~~(b) If the customer does not choose to enter into a six month payment arrangement, then the customer and utility may make arrangements appropriate to both the customer and utility. If the customer does not propose payment arrangements acceptable to the utility, the utility will advise the customer of the payment plan described in WAC 480-100-XX4 Winter low-income payment program if appropriate. **(Comment: This one time six month payment plan is unclear. One time could mean once in a customer's lifetime or it could mean once on an account that goes "prior" under current rules. The recommended deletions above will preserve the flexibility in the current rules, allowing utilities to work out mutually agreeable terms with customers. If the flexibility in the current rule creates real problems, it would be helpful for Staff to share those with the other parties.)**~~

(5) The utility will provide a receipt to customers for all payments made in cash.

#### **Comments:**

*Changes to existing rule:*

*(1) Moved Sections (3) and (4) of existing rule to separate new rule.*

*(2) Added that if the utility delayed billing to the customer, it must allow the customer to make payment arrangements equal to the length of time the customer waited for the bill.*

*(3) Added that utilities who provide both electric and gas service, must prorate payments to each service if the customer has not designated which service should be*

paid.

(4) Added that the utility must provide receipts for all cash payments.

(5) Added that the customer may enter into a six month payment arrangement on a delinquent account one time prior to disconnection of service.

(6) Clarified how budget payment plans are calculated.

#### **WAC 480-100-XX4 Winter low-income payment program**

(1) During the winter months between (November 15 and March 15) the electric utility may not discontinue residential space heating service if the customer:

(a) notifies the company of the inability to pay the bill, including a security deposit. This notice should be provided within five (5) business days of receiving a delinquent notice unless there are extenuating circumstances. If the customer does not notify the company within five (5) business days and service is disconnected, the customer can, by paying reconnection charges, if any, and upon fulfilling the requirements of this section, receive the protections of this chapter;

(b) provides self-certification of household income for the prior twelve (12) months to a grantee of the department of community, trade, and economic development. For the purposes of this section, the grantee is a contractor operating low income energy assistance programs for the department of community, trade, and economic development. The grantee will, within thirty (30) days, determine that the household income is not higher than the maximum allowed for eligibility under the state's plan for low-income energy assistance. The grantee will also within thirty days provide a dollar figure to the company that is seven percent (7%) of the household income within thirty (30) days of the date the company was notified of the inability to pay as in (a) of this subsection. For the purposes of this section household income is defined as the total income of all household members as determined by the grantee. The utility may require grantee to ~~may~~ verify information provided in the self-certification. **(Comment: The existing rule explains that certification (the self-certification) may be subject to verification by the grantee. Since the Commission does not regulate grantees, the most reasonable interpretation of the existing rule is that the utility may require the grantee to verify the self-certification, though the grantee may be able to verify income for reasons other than by request of the utility. PSE recommends this requirement should be retained in the proposed language, to ensure utilities have some oversight of this process.)**

(c) applies for home energy assistance from appropriate government and/or private sector organizations and certifies that any assistance received will be applied to their current and future utility bills;

(d) applies to the utility or other appropriate agencies for low income



weatherization assistance if such assistance is available for the dwelling;

(e) agrees to and maintains the following:

(i) pays all amounts owed to the utility by the following October 15 and to pay for continued service;

(ii) pay a monthly payment during the winter period of at least seven percent of the monthly household income during the winter months. In addition, the customer must pay one-twelfth of any billings from the date application is made through March 15. A customer may agree to pay a higher percentage of income during this period, but the customer's account will not be considered past due unless payment during this period is less than the amount that was calculated using the formula above. If the customer does not pay the past due bill by the following October 15, the customer will not be eligible for protections under this section, until the past due bill is paid.

(f) notifies and provides documentation, if requested, to the utility that the customer has received any home heating assistance payment from government and/or private sector organizations after being approved for the plan. When the utility receives this information it must recalculate the payments for the customer; and

(g) pays all amounts owed even if customer moves.

(2) The utility will:

(a) assist the customer in fulfilling the requirements under this section;

(b) be required to transfer an account to a new residence when a customer who has established a plan under this section moves from one residence to another within the same utility's service area. The utility may, however, update the payment plan as appropriate, due to changes in expected billing at the new address; ***(Comment: This is a completely new requirement. If it is appropriate for such payment plan to migrate with the customer—PSE is not supporting or contesting it at this time—it is important to recall the payment plan is designed to allow the customer to pay for past service as well as current service. To the extent that bills at the new address are expected to be different from the old address, the utility should have the flexibility to revise the payment plan accordingly.)***

(c) be allowed to discontinue service if the customer has not kept the payment arrangements in Section 1 above, as directed in WAC 480-100-071 Discontinuance of service. The utility will include in the customer's disconnect notice:

(i) a description of the customer's duties outlined in section (1) above, and

(ii) an explanation that it will restore service if the customer contacts the utility and satisfies the other requirements in this section.

- (d) be allowed to disconnect service for practices authorized by law other than for nonpayment as stated in this section;
  - (e) allow customers who qualified under Section (1) above and who default on their payment plan and are disconnected in accordance with WAC 480-100-071 Disconnection of service, to reconnect and maintain the protection afforded under this chapter when they:
    - (i) pay any reconnection charges; and
    - (ii) pay all amounts that would have been due and owing on the date the service is reconnected;
  - (f) Provide a written copy of the extended payment plan to the customer.
- (3) Any customer who has a past due amount owing under this payment plan will not be eligible to reapply for a new extended payment plan unless authorized by the utility.

**Comments:**

*Changes to rule:*

- (1) This rule is moved from WAC 480-100-072, Payment Arrangements, Sections (3) and (4).
- (2) Reformatted rule to more closely parallel with RCW 80.28.010 (4) and (5).
- (3) Moved definitions of energy assistance grantee and household income from WAC 480-100-021 (5) and (6) to section (1) (b) of this rule.

**WAC 480-100-076 Service responsibilities**

- (1) ~~(1) Customer responsibilities~~ - In addition to responsibilities listed in the utility's tariff approved by the commission and listed in other rules and laws, customers will have the following additional responsibilities:
  - (a) The customer will notify the electric utility in writing, in advance, of all changes in its equipment or usage, which will materially affect the service to be rendered.
    - (i) The customer will give such notice within a reasonable time to permit the utility to provide the necessary facilities and to acquire additional power supply if required.
    - (ii) The cost of necessary facilities, if any, will be equitably adjusted between the electric utility and the customer unless otherwise provided in the utility's filed tariff(s).
    - (iii) If a customer makes modifications to its system prior to or without providing the utility notice to permit the utility to make necessary adjustments to its system, the customer will be held responsible for cost impacts on the utility's system and damages to the utility or other customer's property.
  - (b) A customer may not resell electricity unless specifically authorized in the filed tariff of the utility. ***(Comment: Moved from 046, application of service—this seems like a more logical placement.)***
- (2) Electric utility responsibility - Each electric utility will install and maintain at



appropriate locations within its system such equipment as may be necessary to determine the operating characteristics of the system. The commission may require additional equipment in connection with performing special investigations if economically feasible.

In case any substantial change is made by the electric utility in the character of service rendered, which change would affect the efficiency of operation or the adjustment of the equipment of customers, the utility will promptly notify all customers who may be affected. Where adjustments of such equipment need to be made to permit use under such changed conditions, such adjustments will be made, and the cost will be equitably split between the utility and the customer. When the customer has been advised of such contemplated change prior to taking service, or when such change is required by law, the customer will bear all cost in connection with making changes to the customer's own equipment.

(3) Maintenance - Each electric utility will maintain its plant in such a condition as will enable it to furnish adequate service and meet applicable state and federal standards. ***(Comment: While we offer no specific language change here, PSE is concerned this language would preclude temporary actions taken during storm related outages to restore service. For example, a damaged utility pole may be temporarily shored-up in order to quickly restore service during a storm episode, then be properly replaced later, after service has been restored.)***

(4) Interruptions of service - the term "interruptions" as used in this rule does not refer to the temporary discontinuance of service to those customers receiving service under an interruptible service schedule. Interruption of service to customers receiving service under interruptible service schedules will be addressed in the utility's tariff, as approved by the commission. ***{Comment: This language is consistent with PSE's proposal in the gas rules. This language is based on the existing gas rule. PSE suggests language of this nature is necessary to differentiate firm from interruptible service. The second added sentence is to clarify that service to interruptible customers should be addressed in tariffs.}*** Each electric utility will make all reasonable efforts to avoid interruptions of service and, when such interruptions occur, will endeavor to reestablish service with the shortest possible delay.

When it is necessary for an electric utility to make repairs to or change its facilities, the utility may, without incurring any liability, suspend service for such periods as may be reasonably necessary and in such a manner as to minimize the inconvenience to customers, provided that, when practicable, such interruption will be during working hours regularly maintained by the utility. ***(Comment: This language is from the existing rule. PSE recommends this language be retained to balance inconvenience to customers with costs of labor associated with working outside normal business hours. Preserving this balance of costs and benefits probably supports review criteria of the Executive Order.)*** The utility will individually notify police and fire departments affected by such a suspension. All customers affected by a scheduled interruption will be given notification through newspapers, radio announcements, or other means at least one day in advance.

(5) Record of interruptions - Each electric utility must keep a record of all interruptions of service affecting a substantial number of customers, including in such record the location, the date and time, the duration, and, as accurately as possible, the cause of each interruption. Utilities must submit copies of such records to the commission upon request.

**Comments:**

*Rule rewritten for clarity.*

**WAC 480-100-081 Service entrance facilities**

Electric utilities may require customers to:

- (1) provide entrance facilities at the easiest access point to its distribution system and
- (2) comply with reasonable requirements to keep those facilities free from tampering or interference.

In order to ~~ensure permit~~ the required clearances, utilities may require their customers to provide a structurally sound point of attachment for their service conductors, ~~pursuant to the National Electric Code.~~ **(Comment: L&I and local inspectors have adequate and more comprehensive standards, thus this language is really not necessary.)**

**Comments:**

*Rule rewritten for clarity.*

**WAC 480-100-091 Access to premises**

Authorized representatives of an electric utility have the right to enter a customer's property during reasonable hours to perform meter reading, maintenance, testing, installation, or removal of the utility's property. Customers may ask to see the identification of the electric utility representatives.

When performing maintenance ~~or installing or~~ removing the utility's property, the utility must make reasonable efforts to restore the customer's property as close as possible to the condition prior to the utility's action or other such arrangements as agreed to with the customer or as provided in the utility's tariff on file and approved at the commission.

**(Comments: Overall, it would be most helpful if Staff could share information that supports the need for a restoration of property rule; i.e., are there significant, reasonable customer complaints that would justify creating such a rule or some reasonable expectation that this issue could become a problem? Turning to the specific language, when installing utility service to a customer's property, it is far more cost effective for the customer to be responsible for restoring the property. Second, it is important to have some balance of reasonableness to restoring**



property. There are occasions when customers place extensive landscaping, unique driveways, etc., in the public right of way (not even our easement on their property) then demand not only restoration of the property affected, but adjacent property as well. Thus, again, there should be some reasonableness language in this rule. The last section beginning "...or as provided..." may be desirable, as it would allow utilities to incorporate restoration of property rules in tariffs and have them approved by the Commission.)

**Comments:**

*Rule revised per water rules and stakeholders' comments.*

**WAC 480-100-096 Electric utility responsibility for complaints and disputes**

- (1) When a electric utility receives a complaint in any form from a customer or an applicant for service it must acknowledge receipt of the complaint and:
  - (a) provide the name of the utility's contact to the complainant;
  - (b) investigate the complaint promptly;
  - (c) report the results of the investigation to the complainant;
  - (d) take corrective action, if warranted, as soon as possible under the circumstances;
  - (e) inform the complainant that the decision may be appealed to a supervisor at the utility; and
  - (f) inform the complainant, if still dissatisfied after speaking with the supervisor, of the customer's right to file a complaint with the commission and provide the commission's address and toll-free telephone number.
- (2) Applicants, customers, or their representatives, may file with the commission:
  - (a) an informal complaint as described in WAC 480-09-150 Informal complaints or
  - (b) a formal complaint against the utility as described in WAC 480-09-500 Brief adjudicative proceedings.
- (3) When the commission refers an informal complaint to the utility, the utility must:
  - (a) investigate and report the results to the commission within two business days. The commission may grant an extension of time for responding to the complaint, if requested and warranted;
  - (b) keep the commission informed of progress toward the solution and the final result; and
  - (c) respond to the commission's request for additional informal complaint information within three business days of the request or at a date specified.
- (4) Each utility must keep a record of all complaints for at least three years and, on request, make them readily available for commission review. The record must contain:
  - (a) the complainant's name and address;
  - (b) the date and nature of the complaint;

- (c) the action taken; and
- (d) the final result.

**Comments:**

Changes to existing rules:

- (1) added requirement (a) to section (1),
- (2) added requirement (c) to section (3), and
- (3) changed record keeping requirement for all complaints from one to three years

**WAC 480-100-101 Billing requirements and payment date**

(1) Customer bills must:

(a) be regularly scheduled for issued at intervals not to exceed two months;  
**(Comment: Please refer to PSE's initial comments, PSE's comments on Staff's Initial Draft, and discussion during the first set of workshops. Unless the rule is revised, utilities will not have any time to follow-up on questionable bimonthly bills. This will lead to one of three results: 1) Utilities will routinely be out of compliance with some billings in order to ensure bills are accurate, which means this rule will be practically ineffective, thus counter to the Executive Order; 2) Utilities will be forced to send out bills that it believes could be inaccurate and make possibly significant adjustments to the customer's account in the next bill, which suggests the benefits (if any) of this rule would be less than costs; 3) Utilities will be forced out of bimonthly billing, which the Commission has already indicated is a cost effective policy. Therefore, while PSE is open to discussing other ways of modifying this rule, some modification is necessary.)**

(b) show the total amount due;

(c) show the date the bill becomes delinquent if not paid;

(d) include the utility's business address, business hours, telephone number and emergency telephone number by which a customer may contact the utility;

(e) include the current and previous meter reading, the current read date, and the total amount of kilowatts used and the rate per kilowatt;

(f) show energy usage comparison for the same billing month of the previous year for the following:

(i) number of days in billing period;

(ii) kilowatt hours used;

(iii) average kilowatt hours use per day;

(iv) average temperature per day;

(g) show taxes and any tax percentage rate that the taxes are computed from. ~~Taxes must also be totaled to show a total tax amount;~~ **(Comment: Without further clarification, PSE is not sure what total tax amount Staff refers to**



here. Perhaps some clarification as to what Staff is referring to would be helpful. ),

(h) clearly identify when a bill has been prorated. A prorated bill will be issued when service is provided for a fraction of the billing period or when a rate change has occurred during the billing period. Unless otherwise specified in the utility's tariff, the charge will be prorated in the following manner:

(i) flat rate service will be prorated on the basis of the proportionate part of the period service that was rendered;

(ii) metered service will be billed for the amount metered, except that the minimum charges will be the applicable minimum as shown in the tariff;

(j) clearly identify when a bill is based on an estimation.

(i) The utility must detail its method(s) for estimating customer bills in its tariff on file with the commission.

~~(ii) The utility may not estimate for more than two (2) consecutive billing cycles;~~ **(Comment: This rule, as written, is not practical. There may be situations outside the utility's control that do not allow meters to be read, including customer imposed hazards—unintentional or otherwise. As meter reading becomes more automated over time, this rule will be less of a problem, but then the rule will not be necessary. If this rule is adopted, it is not clear what Staff expects utilities do when reading a meter is impossible for a third or more cycle. Presumably, utilities would not be allowed to send a bill at all, until the meter is finally able to be read. This outcome, however, does not seem to protect customers at all, and would probably create the need to make additional billing arrangements with customers. Thus, this rule would not benefit customers but would needlessly increase billing costs. It seems that from nearly every perspective, this rule falls short of the criteria in the Executive Order and would otherwise not support the public interest.)**and

(k) clearly identify determination of maximum demand. Utilities providing service to any customer on a demand basis must detail in their filed tariff the method of applying charges and of ascertaining the demand.

(2) The minimum time allowed for payment after the bill's mailing date must be fifteen (15) days, if mailed within the state of Washington, or eighteen (18) days if mailed outside the state of Washington.

(3) A customer may request to pay by a certain date that is not the normally designated payment date when showing good cause. Good cause may include, but is not limited to, adjustment of a billing cycle to parallel receipt of income. The preferred payment date must be prior to the next invoice date.

**Comments:**

*Changes to existing rule:*

(1) *Added total amount owed will be listed on bill.*

- (2) *Added that utility must include business address, toll-free telephone number, business hours and emergency telephone number on bill.*
- (3) *Added information to be included on bill in order to calculate bill amount.*
- (4) *Changed what information is to be provided in order to compare bill with previous year's usage.*
- (5) *Clarified tax information to be included on bill.*
- (6) *Added utility may not estimate bill for more than two consecutive billing cycles.*
- (7) *Added three days to bill due date if bill is mailed outside of the state.*
- (8) *Added when a customer requests a preferred payment date, it must be requested prior to the next bill date.*
- (9) *Moved reference of the 15-day minimum for billing from WAC 480-100-071 (1)(a), Disconnection of service.*
- (10) *Added method of estimation of bills must be detailed in the utility's tariff.*

**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 the accuracy of a meter within ten (10) business days after receiving a request from a customer. The utility must allow the customer to order one meter test free of charge during a twelve month period.
- (2) The customer may 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 representative's presence. The seal must not be broken until the test is made in the customer's or the 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. The utility must immediately inform the customer of any additional meter test charges. If the customer elects to have the meter test performed, the utility will perform the test and report the test results within ten (10) business days to the customer. If the additional meter test results show the meter is performing accurately as described in WAC 480-100-136 (2) Watt-hour meters accuracy, 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 meter test that shows the meter is performing outside standards in WAC 480-100-136(2)inaccurately.
- (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 set assembly 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 within ten (10) business days to the commission.

(5) If a meter test reveals a meter error greater than specified as acceptable in WAC 480-100-136(2) Watt-hour meter accuracy, the utility must repair or replace the meter at no cost to the customer. The utility will adjust the bills to the customer based on the best information available to determine the appropriate charges.

(a) The utility must refund the customer back to the date the customer was first billed for a defective meter but not more than six (6) months.

(b) In cases where the customer will be billed for additional meter usage, the utility will bill to the date the customer was first billed for a defective meter but for not more than six months. The utility will make payment arrangements to allow the customer additional time to pay the bill.

(6) Reports - the commission may require the utility to provide meter test results in response to a customer's complaint. These reports will contain the name and 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) Deleted utility option of refusing meter test*

*(3) Deleted "initiate" in section (1) and changed to must test and report results to customer within ten business.*

*(4) Moved WAC 480-100-166 and 480-100-111 to this rule.*

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

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

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

**WAC 480-100-311 Payment locations**

(1) An electric utility must provide payment agencies in convenient locations where applicants and customers can make cash and urgent payments as needed to receive service. ~~Payment agencies must clearly post and maintain regular business hours.~~

**(Comment: Payment agencies are independent businesses and realistically**

**will post business hours as they believe is necessary for their operation, thus this rule is probably not necessary nor practically useful. If Staff has evidence that posting of business hours at pay stations has been a problem, it would be helpful to share that information with the other parties.)**

(2) The utility and payment agencies must provide receipts for any cash payments made by the applicants or customers.

~~(3) The utility must provide, at a minimum, a toll-free telephone number for applicants and customers to receive information relating to services and rates, to accept and process orders for service, to explain charges on customer bills, to adjust charges made in error, and to generally act as representatives of the utility. **(Comment: This requirement is covered in other sections of these rules, through the customer brochure, etc.. PSE suggests this is not a pay station issue.)**~~

~~(4) The utility must provide written notice to its customers and the commission at least thirty days prior to the closing of any business office, customer service center or payment agency. In the event that a payment agency is closed on less than thirty days notice, written notification is required as soon as the utility becomes aware of the closure. At a minimum, the following information is required:~~

~~(a) communities affected by the closing;~~

~~(b) the date of the closing;~~

~~(c) a listing of other methods and facility locations available for payment of cash or urgent payments; and~~

~~(d) a listing of other methods and locations for obtaining business office and customer service center services. **(Comment: It is not clear how this**~~

~~**extensive, ex ante notice is necessary to protect customers, but it would significantly increase costs. Please note that turn-over of payment agencies is a normal and reasonable business practice. Therefore, this notice requirement probably falls short on a benefit-cost analysis.**~~

~~**However, if Staff's underlying interest is for customers to somehow be informed of pay station locations, PSE believes there are more efficient means of meeting that interest and is open to discussing them. For example, information could be made available electronically on a website or through annual filings at the WUTC identifying each payment agency by community, name of the business, and phone number so customers can call ahead to make sure the business is still taking payments.)**~~

**Comments:**

Changes to existing rule:

(1) Changed title of section

(2) Deleted definition of urgent payment

(3) Changed "reasonable access" to convenient location in section (1).

(4) Deleted business office designation

(5) Deleted requirement that business offices be accessible in person.

(6) Added utility must notify customers of payment agency closures.



## WAC 480-100-XX5 Electric customer notification requirements

### (1) Customer notice prior to commission action.

(a) Customers must receive thirty days notice prior to the requested effective date when an electric utility proposes to:

(i) increase rates (see exception in section (2)); **(Comment: Section (2) does not appear to include any exceptions)**

(ii) change terms and/or conditions of an existing service;

(iii) change the ownership or control of the operating utility (see WAC 480-143-210 Transfer customer notice requirements, for content of notice);

(iv) institute a charge for a service that was formerly provided without charge;  
or

(v) eliminate or grandfather any service.

(b) At a minimum, an electric utility must notify:

(i) all customers who may be affected by the utility's proposal; and

~~(ii) the public affairs section of the commission.~~ **(Comment: It is not clear why the public affairs section of the commission needs to be noticed when the utility has already filed the actual request at the Commission. Perhaps some discussion on this issue would be helpful.)**

(c) Content of notice for rate change. Each customer notice must contain, at a minimum:

(i) date the notice is issued;

(ii) utility name and address;

(iii) a clear explanation of the proposal that ensures customers understand the proposed change and the impact of the change;

(iv) the utility's reasons for the change (use examples as needed);

(v) a comparison of current and proposed rates by service;

(vi) an example of the proposal based on an average customer's use (for example: an average residential customer uses x KWH a month. Usage x proposed rate = \$ per month.)

(vii) when the rates will be billed (i.e., monthly or bi-monthly);

(viii) requested effective and/or implementation date;

(ix) the total annual revenue increase or percentage of increases for each individual customer class, service and/or categories contained in the utility's proposal;

(x) an explanation 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;

(xi) a description of how and where the customers may contact the utility if they have specific questions or need additional information about the proposal; and

(xii) public involvement language as follows:

If you have questions about the ratemaking process, you may contact the Washington Utilities and Transportation Commission at the following address:

Secretary, Washington Utilities & Transportation Commission  
P.O. Box 47250,  
Olympia, WA 98504-7250  
1-800-562-6150 (toll free)  
comments@wutc.wa.gov

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 at the commission's open meeting to be included as part of the formal record. The commission is interested in receiving your views regarding this proposal whether in favor or not. All open meetings are held in Olympia, WA. If you would like to be added to the commission's mailing list to be notified of the open meeting date please call 1-800-562-6150 and leave your name, complete mailing address including your utility's name and a description of the proposal you are interested in.

(d) Customer notice prior to commission action may be accomplished by bill insert, bill message or separate mailing to all affected customers.

(2) Customer notice after commission action. Notice after commission action is required only when: the commission approves an increase in federal, state, county or city imposed taxes, fees, or surcharges, and when credits are issued; or when the commission approves an increase for non-recurring charges which include, but are not limited to, disconnect visit charge, returned check charge, connection or reconnection charge, late payment charge, or conservation program filings, and formal hearing customer notice as required in 480-80-125 Notice by utility to customer concerning hearing).

(a) All customers who may be affected by the utility's proposal and the commission's public affairs department must be notified.

(b) At a minimum, notice after commission action must include the effective date, a clear description of changes to rates or services resulting from the commission's decision, and a utility contact number where customers may seek additional information.

(c) In addition to the methods listed in subsection (1)(d), notice after commission action may be accomplished by publication in a utility newsletter.

(3) Notice assistance. Any utility seeking assistance from the commission's public affairs department on customer notice must submit a draft notice at least one week prior to the utility's planned printing date for distribution.

(4) Other customer notice. The commission may require such other notification to the



public as it determines to be in the public interest.

**Comments:**

*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 affects on them and to determine whether or not to become involved in the commission's decision-making process. A good customer notice meets three very 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 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 WAC 480-80 is now opened up 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.*

## **III. Accounting and Finance:**

### **WAC 480-100-031 Accounting Systems**

(1) Electric utilities in the state of Washington must use the uniform system of accounts applicable to major and non-major electric utilities as published by the Federal Energy Regulatory Commission (FERC) in the Code of Federal Regulations.

(2) Electric utilities having multi-state operations must maintain records in such detail that the costs of property located and business done in this state in accordance with geographic boundaries can be readily ascertained.

(3) Any deviation from the uniform system of accounts, as published by the FERC, will only be accomplished after due notice and order of this commission.

**Comment:**

*This revision separates accounting aspects of rule 480-100-031 Accounting Systems from the reporting aspects. The language is re-written for clarity.*

### **WAC 480-100-xx6 Financial Reporting requirements**

(1) Annual Report.

(a) Electric utilities will use the annual report form (FERC Form No. 1) promulgated by the Federal Energy Regulatory Commission for purposes of annual reporting to this commission. Data required by RCW 80.04.080 Annual Reports, but not included in the FERC Form No. 1, must also be submitted with

the annual report. Utilities must send the annual report for the preceding calendar year by May 1 of each year.

(b) Electric utilities with multi-state operations must also submit to this commission a supplement to its annual report that includes the amount of property, revenues, expenses, taxes, depreciation, etc., necessary to furnish electric utility service to its customers in the state of Washington. The supplement to the annual report must include the average customer count and total unit sales per customer class for the calendar year.

~~(c)~~ Electric utilities must submit the cost allocation methods necessary to develop results of operations for the state of Washington with the annual report. Acceptance of cost allocation schemes for rate making purposes is only accomplished by Commission order. **(Comments: It appears that the proposed (c) is back-up information required by multi-state utilities, thus seems clearer to keep it with (b).)**

(d) The total utility results of operations reported by each electric utility in its annual report to the commission must agree with the results of operations shown on its books and records.

## (2) Commission Basis Reports (Annual)

~~(a)~~ The intent of the "Commission Basis" report is to depict the electric operations of a utility under normal temperature and power supply conditions during the reporting period. The annual commission basis report must include the following: (Comment: PSE suggests the following breaks make the rule easier to follow.)

(a) Utilities must report booked results of electric operations and rate base, along with the necessary adjustments as accepted by the commission, in the utility's most recent general rate case or subsequent orders.

(b) Utilities must adjust their actual results of operations for out of period items; non-operating, non-recurring, extraordinary items; or any other item that materially distorts reporting period earnings and rate base.

(c) Utilities must adjust booked revenues and power supply expenses to reflect operations under normal temperature and power supply conditions before the achieved return on rate base is calculated.

(d) –Commission Basis reports should not include adjustments that annualize price, wage, or other cost changes during a reporting period, nor new theories or approaches which have not been previously addressed and resolved by the Commission.

~~(e)~~ Utilities operating in multiple states must submit the basis of any cost allocations and the allocation factors necessary to develop the commission basis results of operations for the state of Washington.

(c) Commission Basis reports are due within four months of the end of a utility's fiscal year.

## (3) Quarterly Monthly Reports

(a) Electric utilities must file quarterly a report of monthly actual Washington



operations within 45 days of the end of each quarter.

~~(b) The report must contain the three monthly balances, the quarterly ending balances, and the latest 12 months ending balance for all accounts of the uniform system of accounts. (Comment: This is an extensive amount of information that WUTC Staff would be getting on a quarterly basis from three electric utility operations. It is not clear that WUTC Staff would practically be able to review this much information quarterly and further, how such quarterly review would advance the public interest. Without additional discussion among the parties, PSE suggests the benefits of this expanded reporting requirement may fall short of its cost, both in terms of utility filing and Staff review—which is an Executive Order criteria.)~~

(c) The report must include the average customer count and total unit sales per customer class for each reported period.

#### (4) Additional Reports

~~The commission may, after due notice and issuance of an order, require additional data or reports of any gas utility. Additional data may be requested by this commission, or its authorized signatory. (Comment: PSE's proposed language clarifies the existing language. While PSE always endeavors to provide Staff with information it desires, the proposed language causes us some concern. Staff's proposed language would allow the entire due process associated with this rule making to be easily circumvented on a routine, administrative basis—a process that is preserved in the current rule. Such language would contradict the entire concept of having reporting requirements in rules at all.)~~

#### **Comment:**

*This revision separates reporting aspects of WAC 480-100-031 Accounting Systems into a separate rule. The Commission basis report is changed to an annual filing. The monthly report is changed to a quarterly filing with specific required contents. Other language is re-written for clarity.*

### **WAC 480-100-032 Accounting--Political activities**

(1) Neither direct nor indirect expenditures for lobbying, political information, political education, or political advertising may be included in rates or tariffs regulated by this commission.

(2) Political information, education, and advertising activities include, but are not limited to:

- (a) encouraging support or opposition to ballot measures, legislation, candidates for an office, or current public office holders.
- (b) soliciting support for political action committees.
- (c) gathering data for political mailing lists.
- (d) soliciting political contributions or recruiting political volunteers;

~~(e) advertising to influence public opinion with respect to any controversial issue of public importance. **(Comment: As suggested in PSE's comments on Staff's informal draft, this language is too vague and could result in unintended results. Influencing public opinion on issues that benefit our customers should not automatically be ruled out. It is not at all clear why Staff is seeking to so broadly expand this rule.)**~~

**Comment:**

*This version organizes all political expenditures into one rule.*

**WAC 480-100-036 Securities, affiliated interests, transfers of property**

- (1) An electric utility that issues securities must file with the commission a statement in accordance with chapter RCW 80.08 Securities and chapter WAC 480-146 Securities and affiliated interests.
- (2) An electric utility that enters into an arrangement with an affiliated interest must file with the commission a verified copy of the contract or arrangement in accordance with chapter 80.16 RCW Affiliated interests and chapter WAC 480-146 Securities and affiliated interests.
- (3) An electric utility that transfers property must apply for, and obtain, commission approval in accordance with chapter 80.12 RCW and chapter WAC 480-143 Transfers of property.

**Comment:**

*Rule rewritten for clarity and to conform with statutory changes.*

**WAC 480-100-043 Promotional Advertising**

- (1) Neither direct, nor indirect expenditures for promotional advertising may be included in rates or tariffs regulated by this commission. The term "promotional advertising" means advertising to encourage any person or business to select or use the service or additional services of an electric utility, to select or install any appliance or equipment designed to use the electric utility's service, or to influence consumers' opinions of the electric utility.
- (2) As used in this rule the term "promotional advertising" does not include:
  - (a) advertising which informs customers how to conserve energy or how to reduce peak demand for energy;
  - (b) advertising required by law or by regulation, including advertising under Part 1 of Title II, of the National Energy Conservation Policy Act;
  - (c) advertising regarding service interruptions, safety measures, or emergency conditions;



- (d) advertising concerning employment opportunities with the electric utility;
- (e) announcements or explanations of existing or proposed tariffs or rate schedules;
- (f) notices of meetings or commission hearings concerning electric utility rates and tariffs.

**Comment:**

*This new version restricts rule to just promotional type advertising. It maintains prohibition on allowing advertising in rates.*

**WAC 480-100-211 Retention and preservation of records and reports**

(1) The electric utility must retain all records and reports for three years unless otherwise specified in subsection (2) of this section. No records may be destroyed prior to the expiration of the time specified in subsection (2) of this section.

(2) The *Regulations to Govern the Preservation of Records of Electric, Gas and Water Companies*, published by the National Association of Regulatory Utility Commissioners is prescribed as the requirement for the state of Washington. This document is available at the commission branch of the Washington state library. The commission secretary will provide a copy of the document on request, subject to any charge, or it may be ordered directly from the Association of Regulatory Utility Commissioners.

**Comments:**

*Rule rewritten for clarity and consistency with water rules.*

## **IV. Metering Rules:**

**WAC 480-100-086 Meter Location**

Subject to the utilities' requirements, customers must provide a place to install the metering equipment that is:

(1) readily accessible to utility employees without risks of bodily harm and

(2) free from vibration, corrosive atmosphere, and abnormal temperatures

Upon request by a customer or a customer's representative, electric utilities must provide a written description of acceptable meter installation parameters applicable to the customer's electrical service needs.

**Comments:**

*Rule rewritten for clarity*

## **WAC 480-100-121 Meter Charges**

- (1) An electric utility will make no charge for furnishing and installing the meter or meters required to determine the billing to be made for electric service in accordance with its filed tariff. The utility may charge for additional metering requested by the customer for service beyond determining the billing to be made for electric service.
- (2) No meter shall be required on unmetered load.

### **Comments:**

*Rule rewritten for clarity and stakeholders' comments.*

## **WAC 480-100-126 Meter readings, multipliers, and test constants (combining WAC 480-100-126 Meter reading and WAC 480-100-156 Multipliers and test constants)**

- (1) Electric utilities must use electric meters or other such devices to accurately record or indicate the quantity of electricity sold to consumers. Such measuring devices will allow utilities to calculate a customer's consumption in units of kilowatt-hours or other units as filed in the company's tariff, approved by the commission. ~~the commission may approve.~~
- (2) Electric utilities that decide to measure a customer's consumption with a device that employs a multiplier or calculate consumption from recording devices must provide customers, upon request, with information sufficient to enable the customer to compute the quantity consumed.
- (3) Indirect reading meters and those that operate from instrument transformers must have the multiplier plainly marked on the dial of the instrument or otherwise suitably marked. All charts taken from recording meters must be marked with the date of the record, the meter number, customer name, and chart multiplier.
- (4) The watt-hour constant for the meter itself must be placed on all watt-hour meters.

### **Comments:**

*(1) Staff proposes combining the following electric rules:*

*WAC 480-100-126 Meter reading*

*WAC 480-100-156 Multipliers and test constants*

*(2) Rule rewritten for clarity. Although many, if not most, meters in use today are electronic, no indication was made by the utilities that NO recording meters are still in use which produce charts. Staff therefore, believes that the current wording applies in any situation where older meters are still in use.*

## **WAC 480-100-131 Meter identification**

Electric utilities must identify each meter by a unique series of serial numbers, letters or



combination of both, placed in a conspicuous position on the meter, ~~along with the utility's name or initials.~~ **(Comments: As PSE commented in Staff's informal draft, there appears to be no benefit to customers or the public by forcing a utility to put its name or initials on each meter. Costs, however, would be significant. Therefore, this requirement does not appear to be in the public interest and fails the Executive Order review criteria.)**

**Comments:**

Staff's intent in revising this rule was to make language clarifications and assure consistency between the gas and electric rules.

**WAC 480-100-136 Accuracy requirements for electric meters** (combining WAC 480-100-136 Initial accuracy of meters, WAC 480-100-141 Accuracy of watt-hour meters, and WAC 480-100-146 Accuracy of demand meters)

**(1) Initial accuracy**

(a) All meters must be in good order and adjusted to register as nearly correct as practicable prior to being put into service. All meters in service must be sealed by the use of a sealing device acceptable to the commission.

~~(b) Before returning a meter to service, the electric utility must:~~

~~(i) inspect the meter for correctness of register ratio and register constant,~~

~~(ii) repair or replace all worn or damaged parts, and~~

~~(iii) if necessary, recalibrate the meter to measure accurately. **(Comment:**~~

**This requirement would probably be so costly as to make it more cost effective to simply dispose of meters, rather than return them to service. Additionally, this requirement appears redundant to the meter test sampling procedure.)**

**(2) Watt-hour meter accuracy**

(a) The requirements for watt-hour meters used for measuring electrical quantities supplied include, but are not limited to:

(i) All meters must be of proper design for the circuit on which they are used, be in good mechanical and/or electronic condition, have adequate insulation, correct internal connections, and correct register.

(ii) Mechanical meters must not creep at "no load" more than one full revolution of the disk in five minutes when:

(A) the load wires are disconnected and potential is impressed or

(B) in a shop test where the load wires are disconnected and the permissible voltage variation is impressed.

(b) All meters must be capable of registering no more than plus or minus 2.0 percent error when subject to a test current ranging between 5 and 10 percent of the meter's rating, at the meter's rated voltage, and at unity power factor.

(c) All meters must be capable of registering no more than plus or minus 2.0

percent error when subject to a test current ranging between 75 and 150 percent of the meter's rating, at the meter's rated voltage, and at unity power factor.

(d) All meters must be capable of registering no more than plus or minus 3.0 percent error when subject to approximately 100 percent rated test current, at the meter's rated voltage, and at a 50 percent lagging power factor.

(e) All polyphase meters must have the elements in balance within 2.0 percent when subject to approximately 100 percent rated test load at both unity and 50 percent lagging power factor. **(Comment: Current language includes approximate language, which is important for testing purposes.)**

(f) All meters used with instrument transformers must be adjusted so that the over-all accuracy of the metering installation will meet the requirements of this rule.

(g) Adjustment for such errors is not necessary when instrument transformers with the following accuracy characteristics are used:

(i) Instrument current transformers: The combined effect of ratio error and phase angle on the accuracy of the meter at any load power factor from 60 percent lagging to unity does not exceed 0.6 percent at 10 percent rated current, or 0.3 percent at approximately 100 percent rated current.

(ii) Instrument potential transformers: The combined effect of ratio error and phase angle on the accuracy of the meter from 90 percent rated voltage to 110 percent rated voltage, at any load power factor from 60 percent lagging to unity, does not exceed 0.3 percent.

### (3) Demand meter accuracy

(a) The requirements for demand meters, demand registers, or demand attachments used to measure a customer's service include, but are not limited to:

(i) the device must be in good mechanical and electrical condition.

(ii) the device must have the proper multiplier, indicating scale, resetting apparatus, and contact device if used.

(iii) the device must not register at no load.

(iv) the device must achieve the following accuracies:

(v) curve-drawing meters that record quantity-time curves, and integrated-demand meters must be accurate to within plus or minus 2.0 percent of full scale throughout their working range.

(b) Timing elements measuring specific demand intervals must be accurate to within plus or minus 2.0 percent and the timing element that provides the time of day record of when the demand occurs must be accurate to within plus or minus 4 minutes in 24 hours.

(c) Lagged-demand meters must be accurate to within plus or minus 4.0 percent of final indication.

(d) Mechanical and lagged demand meters must be tested at load points above 50% of full scale in accordance with ANSI-C12.1. (Comment: PSE does not understand why Staff believes this new requirement is necessary—



**clarification may be helpful.)**

**Comments:**

Staff proposes combining the following electric rules:

WAC 480-100-136 Initial accuracy of meters

WAC 480-100-141 Accuracy of watthour meters

WAC 480-100-146 Accuracy of demand meters

This new rule was rewritten for clarity and includes suggestions from stakeholders.

**WAC 480-100-176 Statement of meter test procedures**

Electric utilities must submit to the commission a statement in its tariff describing its practice under these rules covering:

(1) A description of methods used and frequency of tests for determining electric meter accuracy. The description must include, but is not limited to:

- (a) test group detail and selection procedures;
- (b) performance standard details for meters that exceed the maximum allowable tolerance for slow as well as fast meters;
- (c) the corrective action and time period that will be implemented; and
- (d) reference to an industry standard such as ANSI C12.1 or ANSI/[isrt]ASQC-Z1.9 that will establish acceptable criteria for numerical analysis.

(2) A description of meter testing equipment used along with accuracy determination and maintenance methods applied. **(Comment: The meaning of this requirement is not clear.)**

(3) The name of the testing laboratory making meter tests if electric utilities do not maintain meter testing equipment.

(4) The testing and adjustment program used for meters prior to installation and periodically after installation, if applicable.

If an electric utility changes any portion of its meter test procedures after they have been approved by the commission, the utility must submit a revised tariff.

**Comments:**

Rule rewritten for clarity.

**WAC 480-100-181 Meter history records**

(1) Electric utilities must keep records showing the history of each meter purchased and installed. Such records must be maintained for the life of the meter plus three months. Such records are subject to approval of the commission and must contain the following information at a minimum:

- (a) the approximate date of purchase;
- (b) the manufacturer's name and meter number;

- (c) the utility's unique meter identification number;
  - (d) the place(s) of installation; and
  - (e) the readings at the time of each installation and each removal.
- (2) The records must also include the date of all tests made on the meter, together with data recorded and computations made in order to determine its accuracy. If a test is a complaint test, the records must also include the complainant's name and the meter's calculated accuracy before and after the test.

**Comments:**

*Staff's intent on this rule is to make language clarifications only.*

**WAC 480-100-xx7 Net metering**

- (1) A customer-generator is the user of a net metering system as defined in Chapter 80.60 RCW.
- (2) Technical requirements. The net metering system used by a customer-generator must include, at the customer's own expense, all equipment necessary to meet applicable safety, power quality, and interconnection requirements of the serving electric utility. The equipment used by the customer-generator must meet the applicable parts of the national electrical code, national electrical safety code, the institute of electrical and electronics engineers, and underwriters laboratories.
- (3) Liability requirements. If required by the serving electric utility, customer-generators will maintain liability insurance up to a maximum of \$200,000 per occurrence ~~or what is permitted by applicable laws in the case of public agencies.~~ **(Comment: It is not clear what public agencies or applicable laws Staff is referring to here. Variations could be accommodated through special contracts, if appropriate.)**
- (4) Agreements. Customer-generators and electric utilities must enter into a written net metering agreement prior to interconnection of the utility and customer-generator facilities. Such agreements must be approved as to form by the commission.

**Comments:**

*Staff's intention in developing this new rule is to reflect the agreements reached with all three jurisdictional utilities for the initial tariff filings implementing the statute (RCW 80.60).*

## **V. Safety and Standards Rules**

**WAC 480-100-151 Instrument Transformers**

- (1) Instrument transformers used in conjunction with metering equipment to measure



customers' service must:

- (a) be in proper mechanical condition and have electrical insulation satisfactory for the service on which they are used; and
- (b) have characteristics such that the combined inaccuracies of all transformers supplying one or more meters in a given installation will not exceed the following:

100 % Power Factor		50% Power Factor	
10% Current	100% Current	10% Current	100% Current
1.5% error	0.75% error	3.0% error	2.0% error

(2) Meters used in conjunction with instrument transformers must be adjusted so that the over-all accuracies will meet the requirements specified in WAC 480-100-136 Accuracy requirements for electric meters.

- (a) Instrument transformers may be tested with the meter with which they are associated, or separately. Except as provided in these rules, if the transformers are tested separately, the meters must also be tested to assure that the over-all installation meets the prescribed accuracy requirements.
- (b) Instrument transformer test results must be kept on record and available for use when transformers are installed.

(3) Phase shifting transformers must have secondary voltages that are within plus or minus 1.0 percent of the voltage impressed on primary terminals, when tested under balanced line voltage conditions.

**Comments:**

*Rule rewritten for clarity.*

**WAC 480-100-161 Portable indicating instruments and reference standards**  
(combining: WAC 480-100-161 Portable indicating instruments and WAC 480-100-201 Accuracy of test standards).

(1) Electric utilities must maintain all portable indicating electrical instruments used to determine quality of electrical service, such as volt-meters, ammeters, and watt-meters and all fixed-location meter testing equipment in use in reasonable working order and, if in question, check it against suitable reference standards. If suitable reference standards are not available within the utility, the utility must check its portable instruments at a standardizing laboratory meeting specifications recommended by the meter manufacturer. The electric utility must annually certify as accurate the reference standards the utility maintains and may not use them in the field as working instruments.

(2) Electric utilities must adjust portable indicating instrument that are found appreciably in error at zero. If a portable indicating instrument is in error by more than 1 percent at commonly used scale deflections, the electric utility must adjust it, unless the instrument

is accompanied by a calibration card.

(3) Electric utilities must keep history and calibration records for each portable and fixed-location instrument and any reference standard as long as they are in service.

**Comments:**

*Rewritten for clarity. This rule is a combination of:*

*WAC 480-100-161 Portable indicating instruments and*

*WAC 480-100-201 Accuracy of test standards*

*Based on comments received from industry, staff has revised the language in this rule regarding frequency of portable meter calibration. The use of solid state voltmeters and other instruments is now common within the industry and their accuracy is much greater than former analog equipment. Staff's intent regarding the combination of rules defining issues about portable meters and reference standards was for ease of use. With the separation of this rule into distinct elements numbered (1), (2), and (3) staff believes that confusion over its application would be eliminated. If such is not the case, Staff is willing to separate the issues into two rules.*

**WAC 480-100-186 Standard Frequency**

Each electric utility supplying alternating current must design and maintain its distribution system for a standard operating frequency of sixty (60) cycles per second under normal operating conditions. Each utility must maintain this frequency within tolerance limits as established by the western systems coordinating council.

**Comments:**

*Staff is interested in establishing language requiring utilities to use a consistent standard frequency as contrasted to the original rule language allowing each utility to adopt its own standard frequency. Staff agrees that the interconnectedness of the electric grid precludes utilities from establishing widely different standard frequencies, however, staff disagrees that the rule is not needed.*

**WAC 480-100-191 Standard Voltage and Permissible Variation**

(1) Voltage means the voltage existing with loads operating under stable conditions. Each electric utility must adopt standard voltages for its different classes of standard voltage service and file these standards with the commission in the form of tariffs.

(2) Electric utilities are required to maintain the voltage on their distribution system reasonably constant and any allowed variation must be a gradual change in voltage as a result of normal changes in load.

The voltage on each primary distribution feeder must be maintained as follows: voltage variations may not be more than five (5) percent above or below the standard voltage



adopted, and the total voltage variation from minimum to maximum value may not exceed eight (8) percent of the standard voltage.

A utility may allow greater voltage variation than that specified in this rule in case of emergency service or when service is supplied directly from a transmission line. A utility may also permit greater voltage variations in an area where the revenues received do not justify close voltage regulation. In such cases, electric utilities are required to provide the best voltage regulation that is economically and technically practicable under the circumstances.

(3) Voltage variations in excess of those specified, caused by the action of the elements, by infrequent and unavoidable fluctuations of short duration due to system operation, or by the operation of power apparatus on the customer's premises which necessarily requires large starting currents and only affects the user of such apparatus, will not be considered a violation of this rule.

(4) Customers must control and operate the equipment on their premises in such a way that its starting and operating characteristics will not cause an instantaneous voltage drop of more than four percent of the standard voltage as measured at the point of interconnection with the electric utility. Likewise, customers must control and operate their equipment in such a way that it does not cause damage or interfere with the normal operation of the electric utility's facilities nor facilities or equipment of another customer.

**Comments:**

*Rule rewritten for clarity. Staff's intent in section (4) is to put both customers and utility's on notice that operation of equipment that causes excessive voltage drops (flicker) and adversely affect either the electric utility or other customers is prohibited. Staff did not intend that the utilities would be responsible for monitoring customer equipment use, but rather provide this rule language as support for working with any equipment caused interference situations that may arise.*

**WAC 480-100-206 Reports of accidents**

Each electric utility must notify the commission no later than the first business day following discovery of any accident that results in death or serious injury to any person occurring in its plant or through contact with its facilities. Utilities may initially notify the commission orally or through electronic mail of such accidents. Utilities must submit a follow-up written report to the commission within fifteen (15) working days of initial notification that includes at a minimum:

- (1) the name and address of the person or persons injured;
- (2) the time and place of the accident;
- (3) whether the accident resulted in a fatality;
- (4) whether the accident resulted in an outage;
- (5) if an outage occurred, its duration and the number of customers affected;

- (6) a brief description of how the accident occurred; and  
(7) where any necessary medical treatment was provided.

**(Comment: There have been several requirements added to this rule. Additionally, it would be helpful if Staff could explain why such aggressive timing on the reports is necessary. The first report being due in one business day creates the need for a follow-up report. While PSE takes all such incidents very seriously, this expanded reporting process seems inefficient for each individual incident. PSE also suggests this dual reporting may not be necessary. It would be helpful if Staff explained why these extensively expanded reporting requirements are necessary. Also, it seems this rule should only apply to injuries associated with electrical shock, not drivers contacting utility poles, so this change should be reflected, in the rule.)**

**Comments:**

Staff's intent for this rule was to clarify the language and reflect the existing practice of the jurisdictional utilities with regard to accident reporting.

**WAC 480-100-x10 Safety**

(1) All utilities are required to design, construct, maintain, and operate all electric plants in accordance with accepted good engineering practice in the electric industry to assure, as far as reasonably possible, continuity of service and safety of persons and property.

(2) The applicable provisions in the following publications will be used as standards of accepted good practices:

- (a) The ~~1997~~ National Electric Safety Code (ANSI-C2), parts (1), (2), and (3).
- (b) The ~~1978~~ American National Standards Institute (ANSI) Requirements for Terminology and Test Code Instrument Transformers, (ANSI-C57.13).
- (c) The ~~1975~~ ANSI Code for Electricity Metering, (ANSI-C12).
- (d) The ~~1999~~ National Electrical Code as adopted by the National Fire Protection Association. **(Comment: PSE suggests (2), in its entirety, is not necessary. However, if these rules are necessary, dropping the reference year would be more efficient.)**

(3) Utilities must install, use, and maintain all facilities, equipment, and instruments so as to protect the safety of customers and the general public. Hazardous conditions that endanger persons ~~or, property, or threaten service continuity,~~ when found, reported, or known to exist, must be corrected within 72 hours of first being reported. **(Comments: Overall, PSE believes this rule is not necessary and could result in significant, unintended costs that far exceed the benefit. However, if such a rule is necessary, PSE suggests it is inappropriate to include "hazards" that threaten service continuity with those that endanger persons or property. "Hazards" that could threaten service continuity could include hundreds of miles of trees**



growing outside rights of way or easements. Additionally, there may be areas where mud slides could be hazards that threaten service. It may not be cost effective to "correct" such hazards at all, if the probability of occurrence is low and/or costs to "correct" are significant, let alone "correcting" them within 72 hours.)

**Comments:**

Staff believes it is advisable for the commission to create a new rule specifying, among other things, that utilities must design, construct, operate and maintain their electric plant in conformance with the NESC. Staff's reasoning for this is that both RCW 19.28.010 and WAC 296-45-045 NESC applicable apply to Department of Labor and Industries (L&I) authorities and requirements. L&I specifically interprets and applies this statute and its rule exclusively to impacts that electric utility practice may have on worker safety. Staff's interest in citing the standards it has in the proposed rule is to assure they are applied with regard to general public safety issues as well. (Comment: PSE appreciates Staff's concern that L&I standards apply to worker safety. However, the L&I standards for workers are more than adequate to protect the public, considering workers routinely are in much closer proximity to utility facilities. PSE suggests it is not clear that Staff's standards would surpass L&I standards in terms of provide any additional protection to the public,)