



Puget Sound Energy  
P.O. Box 97034  
Bellevue, WA 98009-9734  
PSE.com

U-210800

August 19, 2022

***Filed via Web Portal***

Amanda Maxwell  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

Received  
Records Management  
08/19/22 14:34  
State Of WASH.  
UTIL. AND TRANSP.  
COMMISSION

**Re: Docket UE-210800: Comments of Puget Sound Energy**

Dear Ms. Maxwell:

Puget Sound Energy (“PSE”) respectfully submits these comments in response to the Washington Utilities and Transportation Commission’s (“Commission”) August 3, 2022 Notice of Opportunity to File Written Comments (“Notice”) in the above-captioned docket. The Notice solicits responses to questions around the utility’s notice, credit, fees, and disconnection for non-payment practices and seeks comments on considerations for future potential changes to existing rules and practices.

In addition to PSE’s responses to the Notice questions below, the Company offers the following overarching comments. Customer credit, notice, and disconnection rules and practices should create viable pathways for customers to avoid disconnection and be in good standing. Disconnection for non-payment is an important tool, not just for collection of non-payment, but also for engaging with customers at risk of disconnection to better understand their needs and provide them with information and opportunities to assess energy assistance and reduce their energy burden. It serves as a crucial backstop to reaching customers that have not responded to other measures.

Additionally, PSE recommends that the Commission take into consideration the multiple overlapping laws and rules before us to ensure these programs are meaningful and criteria can be easily administered across the various programs, including the Clean Energy Transformation Act, the Climate Commitment Act, and the Performance Based Regulation rulemaking<sup>1</sup>. PSE looks forward to further discussion regarding the low-income definition and the interactions between the low-income bill discount requirements in Senate Bill 5295 and the suite of other customer payment arrangement options and energy assistance measures undertaken by the utilities today.

PSE appreciates this opportunity to comment on this matter and the Commission’s efforts to collect and analyze this data to inform this rulemaking.

---

<sup>1</sup> U-210590, Senate Bill 5295

Ms. Amanda Maxwell

August 19, 2022

U-210800 Comments of Puget Sound Energy

Please contact Jessica Zahnow at (971) 200-6026 for additional information about this filing. If you have any other questions, please contact me at (425) 456-2142.

Sincerely,

*/s/ Jon Piliaris*

Jon Piliaris  
Director, Regulatory Affairs  
Puget Sound Energy  
PO Box 97034, BEL10W  
Bellevue, WA 98009-9734  
425-456-2142  
[Jon.Piliaris@pse.com](mailto:Jon.Piliaris@pse.com)

cc: Lisa Gafken, Public Counsel  
Sheree Carson, Perkins Coie

Attachment:  
Appendix A

**PSE RESPONSE TO NOTICE QUESTIONS**

**1. Regarding requests for the Commission to consider whether disconnecting customers for non-payment remains necessary:**

**a. What is the annual and average cost to the utility to (a) disconnect and (b) reconnect customers? What customer count is used in these calculations?**

(i) Annual cost to the utility to disconnect residential customers, and the customer count used to determine those costs is represented in the table below. The customer count provided below includes individual customers that have been disconnected and reconnected multiple times. PSE would likely incur the same or increased costs associated with outreach even without the process of disconnection as it would be the only means to seek payment for past due balances.

| FEE CATEGORY                         | Disconnection Costs |                     |
|--------------------------------------|---------------------|---------------------|
|                                      | 2018                | 2019                |
| Call Center                          | \$ 1,450,991        | \$ 1,196,157        |
| Phone Outreach                       | \$ 1,766,906        | \$ 2,017,561        |
| Customer Notices                     | \$ 729,551          | \$ 941,614          |
| Field Operations                     | \$ 1,677,273        | \$ 1,412,554        |
| <b>Total Annual Cost-Residential</b> | <b>\$5,624,722</b>  | <b>\$ 5,567,885</b> |

| Customer Count | Disconnections |           |
|----------------|----------------|-----------|
|                | 2018           | 2019      |
| Residential    | 3,958,789      | 3,326,850 |

(ii) Annual cost to the utility to reconnect residential customers, and the customer count used to determine those costs is represented in the table below. The customer count provided below includes individual customers that have been disconnected and reconnected multiple times.

| FEE CATEGORY                         | Reconnection Costs |                     |
|--------------------------------------|--------------------|---------------------|
|                                      | 2018               | 2019                |
| Call Center                          | \$ 1,200,998       | \$ 1,009,524        |
| Field Operations                     | \$ 1,542,108       | \$ 1,303,637        |
| <b>Total Annual Cost-Residential</b> | <b>\$2,743,106</b> | <b>\$ 2,313,161</b> |

U-210800 Comments of Puget Sound Energy

| CUSTOMER COUNT | Reconnections |         |
|----------------|---------------|---------|
|                | 2018          | 2019    |
| Residential    | 158,534       | 130,563 |

(iii) Average cost to the utility to disconnect and reconnect customers are shown in the tables below. The customer count below includes all customers, not just residential customers.

| TYPE            | Average Cost |               |
|-----------------|--------------|---------------|
|                 | 2018         | 2019          |
| Disconnection   | \$ 127       | \$ 151        |
| Reconnection    | \$ 69        | \$ 69         |
| <b>Combined</b> | <b>\$ 99</b> | <b>\$ 112</b> |

| TYPE            | Total Customer Touchpoints <sup>2</sup> |                  |
|-----------------|---|------------------|
|                 | 2018                                    | 2019             |
| Disconnection   | 4,161,731                               | 3,463,620        |
| Reconnection    | 164,285                                 | 135,644          |
| <b>Combined</b> | <b>4,326,016</b>                        | <b>3,599,264</b> |

- b. **What is the annual and average cost to the utility due to a customer’s late payment? What customer count is used in these calculations?**

This is a very broad question that depends on the scope and types of costs that are incurred. This could include multiple categories of costs such as utility losses, carrying costs of debt, amortization costs, etc. PSE looks forward to discussing all types of costs that should be considered.

- c. **How much revenue does the utility collect annually from customers for (a) disconnection, (b) reconnection, and (c) late fees?**

| CUSTOMER TYPE | FEE TYPE           | Year                |                     |
|---------------|--------------------|---------------------|---------------------|
|               |                    | 2018                | 2019                |
| Residential   | Disconnection Fees | \$ 380,547          | \$ 311,775          |
|               | Reconnection Fees  | \$ 1,565,128        | \$1,308,717         |
| <b>TOTAL:</b> |                    | <b>\$ 1,945,675</b> | <b>\$ 1,620,492</b> |

<sup>2</sup> Includes customer count for all the types of activities associated with disconnection and reconnection in PSE’s responses to 1(a) and (b).

U-210800 Comments of Puget Sound Energy

| CUSTOMER TYPE | Dollar Amount Collected in Late Fees |              |
|---------------|--------------------------------------|--------------|
|               | 2018                                 | 2019         |
| Residential   | \$ 1,859,432                         | \$ 1,655,745 |

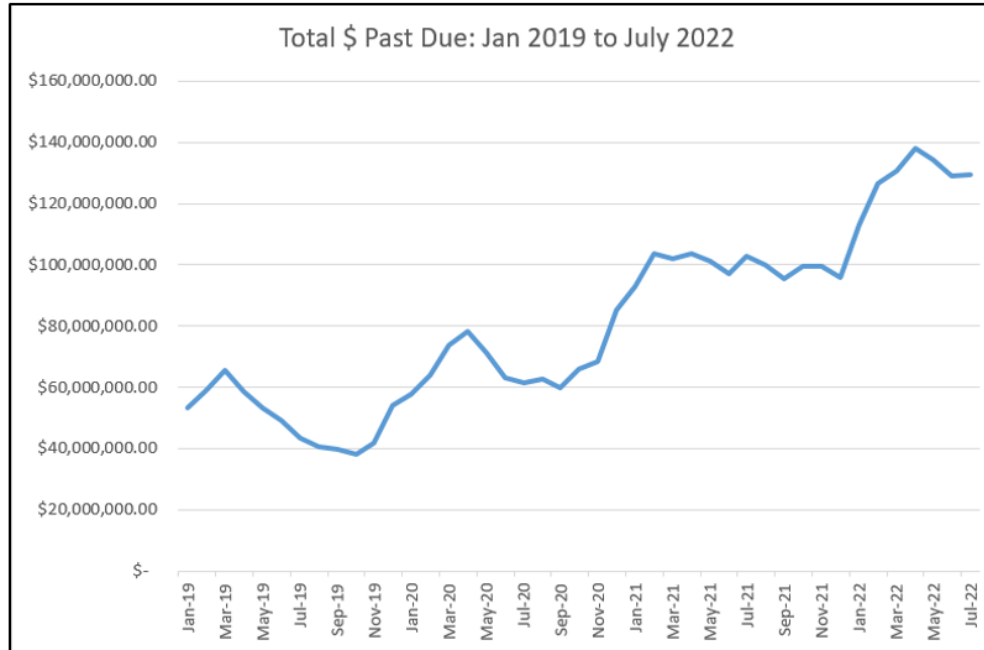
**d. What concerns factor against eliminating disconnections for non-payment?**

Disconnections are a backstop engagement and information gathering tool for utilities to reach customers that have not been responsive to prior attempts by the utility. PSE may glean information from the disconnection process that enables PSE to provide payment options or other forms of assistance that help the customer bring their accounts into good standing. Without a disconnection engagement, there is no mechanism for the utility to recover any of the unpaid amounts due, leaving all other utility customers with an increasing burden. Due to Washington’s prior obligation regulations, under which PSE may not deny new or additional service to a customer with a bad debt, there is little motivation for the customer to engage with the utility making it difficult for PSE to determine how it can help. The information gathered during this disconnection process may also inform energy assistance work at the utilities and the Commission, as well as provide insights into these populations that enable us to better understand their needs.

Additionally, customers can, and do, amass multiple delinquent accounts because they cannot be denied new or additional service due to nonpayment of a prior accounts. Once disconnected for nonpayment, they are rapidly reconnected after contacting PSE. For customers with a remote reconnection capable meter, customers are reconnected to service usually within 4 hours of the customer initiating the request. For manual reconnections, PSE generally can reconnect the same day, if not within 24 hours.

During the disconnection moratorium, PSE has seen past due balances grow significantly despite providing three separate emergency assistance programs (CACAP 1-3) in addition to PSE HELP and increased LIHEAP funding. In January of 2019, PSE’s past due balances totaled \$53,328,135.10. January of 2022 past due balances totaled \$113,207,289.24. This represents an increase of 112.3% over the two-year period. Past due balances continue to grow into July (by 14.4%), which is unusual as July is typically one of the lowest months for past due balances. PSE provides the chart below to illustrate this trend.

U-210800 Comments of Puget Sound Energy



- e. **Please explain how disconnecting customers for non-payment is, or is not, in the public interest.**

Disconnecting customers for non-payment is in the public interest for the reasons set forth in PSE’s response above to question 1(d).

- f. **Is there a practice that would be more equitable than disconnection for non-payment?**

A pre-pay program may provide an additional tool to help customers avoid disconnection along with the suite of programs PSE currently has in place that are aimed at reducing disconnections and/or reducing the customer’s bill: Home Energy Lifeline (HELP) grant program, Salvation Army Warm Home Fund, Budget Billing, Low Income Weatherization and Long-Term Payment Plans. Pre-pay programs have been adopted successfully at Salt River Project and Georgia Power with high customer adoption rates<sup>3</sup>. Although these programs would not replace disconnection for non-payment, they can be utilized to avoid disconnections when the customer requests those services. Disconnections provide a backstop to help the utility reach customers that have not engaged in utility payment arrangement and

<sup>3</sup> See Salt River Project’s M-Power® program - [SRP M-Power prepaid price plan | SRP \(srpnet.com\)](#), and Georgia Power’s Pre-Pay program - [PrePay \(georgiapower.com\)](#)

## U-210800 Comments of Puget Sound Energy

assistance programs to connect them with options that recognize their individual circumstances and result in equitable outcomes.

**g. How else could companies be assured that customers would continue to pay or seek assistance if disconnection for non-payment were disallowed?**

PSE is receptive to dialog on alternatives to disconnection and looks forward to hearing what others propose on this important matter.

**2. Should additional information be provided to customers prior to disconnection for non-payment?**

**a. What, if any, information regarding assistance is currently being provided and what information should be provided?**

PSE provides this information in many steps of the dunning process prior to disconnection. We conduct outreach and, if we are successful in reaching the customer, we discuss all assistance programs available. Information is also available on PSE.com, on PSE's interactive voice response system (IVR), and on its Urgent and Final notices that are sent to customers prior to disconnection. Customers can use self-serve options on the website, mobile app, or through the IVR as well as speaking to an agent if that is preferred. If the customer engages with PSE they will also be informed about the company's payment arrangement and assistance programs.

**b. What, if any, information regarding customer rights and protections should be provided?**

PSE would support providing the link to the WUTC Consumer protection page (<https://www.atg.wa.gov/consumer-help>) or whatever is more appropriate.

**c. Should disconnection for non-payment notices include Commission contact information?**

PSE supports the inclusion of Commission contact information on Urgent and Final notices. Since the onset of the Pandemic and Disconnect Moratorium, PSE is including Commission contact information on both the Urgent and Final notices, as follows:

*Puget Sound Energy's services in Washington State are regulated by the Utilities and Transportation Commission (UTC). The Washington Utilities and*

U-210800 Comments of Puget Sound Energy

*Transportation Commission may be reaching out to you by way of email, phone or a mailed letter to verify account information. You may also contact the UTC by dialing 1-888-333-9882, via email at Consumer@utc.wa.gov, or by mail at P.O. Box 47250, Olympia, WA 98504.*

**3. What percent of customers are billed through e-billing or paperless billing?**

Forty-five percent of current active PSE customers are enrolled in paperless billing.

**a. What percent of customers who are signed up for e-billing or paperless billing are also members of highly impacted communities and/or vulnerable populations?**

Thirty-nine percent of active customers who are enrolled in paperless billing are members of either a highly impacted community, a vulnerable population, or both.

**b. On average, what percent of customers who receive their tariff change notices electronically access their notice?**

On average, 82% of customers who receive their notices electronically access their notice. We are unable to track tariff change notices specifically.

**4. How does your company define “low-income”? How should “low-income” be defined?**

PSE defines low-income as at or below 80% Area Median Income or 200% Federal Poverty Level, whichever is greater. This is an appropriate definition of low-income because it aligns with the low-income definition in RCW 19.405.020(25), which creates consistency for customers. Also, using Area Median Income in addition to Federal Poverty Level better reflects the actual composition of the state than using Federal Poverty Level alone.

**5. How does your company assess the impact of its disconnection practices in areas defined as highly impacted communities and vulnerable populations?**

PSE treats all customers in the disconnection process equally and as such has not assessed impacts in areas defined as highly impacted communities or vulnerable populations.

**6. What information does your company use to determine which customers should be disconnected? Does your company use any of the following information to determine if a customer should be disconnected?**



## U-210800 Comments of Puget Sound Energy

**a. Credit Scores (either external or internal)**

PSE utilizes a propensity to pay score, which is derived and based on customer payment behaviors only with PSE and is based on whether they pay on time, late, or never. This score is used to determine if the customer will enter the dunning process.

**b. A dollar amount threshold**

PSE does use a dollar amount threshold/limit which is based on the customer's arrearage balance. If the customer meets the threshold, they enter the dunning process, which may ultimately lead to disconnection if the customer does not act on their account or contact the company for payment arrangements or assistance. Prior to the pandemic, PSE's set thresholds were \$70 for residential accounts and \$250 for Commercial accounts. During the pandemic PSE increased the threshold limit to \$1000 for all customers. As collection resumptions began post the disconnect moratorium, PSE started with our highest past due balances. PSE does plan to decrease the balance in a staggered approach over the next several months and may determine different threshold amounts versus those set pre-pandemic.

**c. A delinquency threshold (for example 30 days, 60 days, 90 days, or any other interval)**

Disconnection is determined based on the customer's propensity to pay internal score and their arrearage balance. PSE does not use a delinquency threshold; customers are sent an invoice which has a pay by date, if the customer becomes 1 day past due from the pay by date we then leverage (a) and (b) above and if the customer meets the eligibility criteria, they then enter our dunning process.

**d. Is there any other account information factored in to determine if a customer should be disconnected, and if so, please identify that information?**

If the customer is acting on their account by way of payment, seeking assistance, or setting up a payment plan (calling PSE, or Self-serving), they are removed from our dunning process and are no longer considered for disconnection.

## U-210800 Comments of Puget Sound Energy

**7. Does your company offer the following features on its website or online customer portal?****a. Self-enrollment for a customer's preferred payment arrangements**

PSE offers customers the ability to self-enroll in the customer's preferred payment arrangement on its website (<https://www.pse.com/account-and-billing/Payment-Assistance/payment-arrangement>), IVR, and mobile app. Customers can select their own schedule for payments up to 18 months.

**b. Changing a customer's preferred payment due date to parallel receipt of income**

Yes, PSE offers customers the ability to change their payment date to a preferred payment date that aligns with their receipt of income.

**c. Bill Assistance information (a link or contact information to their local community action council or other information specific to that customer)**

Customers can find information on bill assistance programs, including contact information for community agencies that administer those programs, on PSE.com. PSE.com also includes the income guidelines for PSE HELP and weatherization programs, instructions on how to apply for those programs, and the ability for a customer to create a PSE HELP application.

**d. The ability for a customer to select their preferred language for correspondence or communications (if other than English)**

PSE does not currently have this feature. We are upgrading our website later this year, offering our customers the ability to view the entire website in seven languages - English, Chinese, Hindi, Korean, Russian, Spanish and Vietnamese.

**8. TEP raises concerns that the 60-day renewal requirement in the Commission's rule governing medical emergencies may be difficult for customers.****a. What percent of medical emergencies are not renewed for a second 60-day period?**

Zero. Puget Sound Energy keeps the qualified medical professional's letter on file for 60 days and if the customer keeps the agreed upon arrangements and subsequent bill payments over the 120-day period, a renewed medical letter is not required.

Described below is the process Puget Sound Energy follows to meet WAC 480-90/100-128(8) for medical conditions or emergencies:

## U-210800 Comments of Puget Sound Energy

1. Customer informs Puget Sound Energy of a medical condition or emergency at the residential address which requires electricity or natural gas.
2. If a field visit, Puget Sound Energy does not disconnect, leaves a notice and requests the customer to call and claim medical emergency.
3. If a phone call, Puget Sound Energy verifies eligibility by reviewing the residential address is either in danger of disconnection or service has been disconnected. PSE verifies the person with the medical condition is a resident of the address and does not need to be listed on the account.
4. Puget Sound Energy explains to the customer what is necessary for medical emergency and holds the account for 5 business days from disconnection or reconnects service. If the following conditions are met, service will not be in jeopardy of disconnection:
  - i. Within 5 business days:
    1. A letter on a qualified medical professional's letterhead must be received which includes: patient's address/location, explanation of how the medical condition will be aggravated by the disconnect of service, a statement of how long the condition is expected to last and title, signature and phone number of person certifying the medical condition AND
    2. Payment of 10% of the past due balance owing on the account.
  - ii. Payment Arrangement on the entire past due balance which is spread over the following 120 days and agreed with the customer.
  - iii. Verbal agreement from the customer to pay subsequent bills when due.

If Puget Sound Energy does not receive the qualified medical professional's letter or payment for the 10% of the past due balance by business day 6, the medical emergency will be deactivated, a letter will be sent, and the account will move through the notice process depending on the status of the charges remaining on the account.

**b. Could medical emergencies remain in effect for the stated duration of the condition, rather than having a set expiration?**

Puget Sound Energy protects the account from notices and disconnection for 120 days if the agreement for medical emergency payment arrangements and a qualified medical professional's letter is received within 5 business days, and subsequent bills are paid when due. The purpose of the medical emergency is to protect the customer from being disconnected or being in jeopardy of disconnection.

PSE welcomes discussion about how information in the medical statement could be used to determine the duration of the medical emergency.

U-210800 Comments of Puget Sound Energy

**c. Should a 60-day renewal be required for customers experiencing chronic conditions?**

Puget Sound Energy keeps the qualified medical professional’s letter on file for 60 days and if the customer keeps the agreed upon arrangements and subsequent bill payments over the 120-day period a renewed medical letter is not required.

Puget Sound Energy has an internal process for residential customers with electric service who have life supporting equipment. Once informed of life sustaining equipment in the home, a seal is placed around the electric meter which provides an indication to field personnel that life support is being used inside the residence. A letter with a form is sent to the customer requesting verification that the individual requiring life support lives at the location and the form must be filled out by the medical provider. This ensures every effort is made to avoid disconnection of service, particularly in the event of a delinquent balance. Life Support process is intended for ongoing life-sustaining equipment in long-term use at the location and, unlike Medical Emergency, is not an arrangement for payment but rather an agreement to leave a 48-hour notice prior to disconnection of service after notice requirements are met. There is an annual renewal form of life support via letter. If the form is not returned the life support seal will be removed from the meter.

**9. For premise visits prior to disconnection for non-payment of customers with medical certificates and low-income customers, please provide the number of visits conducted and the number of visits that resulted in customers making payment at the door in 2018 and 2019.**

The table below provides the number of visits conducted and the number of visits that resulted in customers making payment at that door that were known low income from receiving energy assistance (PSE HELP or LIHEAP) within the last 12 months in 2018 and 2019. PSE does not visit or disconnect customers with a current medical certificate on file.

| Type                                   | Field Visits and Payments |              |
|--|---------------------------|--------------|
|  | 2018                      | 2019         |
| Total Field Visits                     | 76,213                    | 75,280       |
| Total Field Collections                | 28,380                    | 22,944       |
| Field Visits-Low Income Customers      | 476 (0.6%)                | 1,105 (1.5%) |
| Field Collections-Low Income Customers | 420(1.5%)                 | 597(2.6%)    |

**10. Please provide your company’s internal deposit requirement criteria, including a narrative description of the criteria, factors, and relevant information used to determine whether customers are required to pay a deposit.**

## U-210800 Comments of Puget Sound Energy

A deposit is a collectible that protects the company from the liability of unpaid accounts and services. A deposit is equal to two-twelfths of the estimated annual billing for gas and/or electric services with monthly billing; or three-twelfths of the estimated annual billing for gas and/or electric services with bi-monthly billing.

A deposit is assessed upon Move in and will remain on a customer's account for a minimum of 12 months, unless the customer meets the guidelines of a deposit waiver (residential):

- Letter of credit from another utility
- Guarantor
- Automatic Payment Plans
- Ownership
- Employment history
- Existing Customer

For residential accounts with 12 months of satisfactory payment history and no more than 2 notices in the last 12 months, any assessed deposit will be refunded or it will be returned during the Move out process and automatically apply to any past due charges first, and then be returned to the account as a credit. At that time, a refund can be initiated.

- Upon assessment of a deposit, the customer will automatically receive a Deposit Installment Plan confirmation letter indicating the deposit to be paid in full within 90 days;
  - Half Deposit by first due date
  - Quarter by the second due date
  - Quarter by the final due date
- Deposit Interest begins to accrue as soon as a payment is made. The system doesn't wait until a deposit is in a "paid in full" status.
- A deposit applies to outstanding unpaid balances upon closing of the contract with any remaining funds to be refunded.

**11. Please describe your company's reporting practices to credit bureaus, including historic practices, collection agencies used, and the terms of all contracts with (and the policies of) all collection agencies used.**

PSE does not report accounts to credit bureaus. PSE discontinued credit reporting in September 2016, and at that time had external collection agency partners review current inventory. Accounts that had been reported were removed from the credit bureaus. PSE has contracts with five collection agencies: IC System, Inc., PMT Solutions, LLC, Sentry Credit, Inc., Receivables Performance Management, LLC., and Convergent Outsourcing, Inc.. Collection agencies to whom PSE sends uncollectable accounts also do not report accounts to credit bureaus, and must receive written authorization from PSE to do so.

U-210800 Comments of Puget Sound Energy

**12. Please explain how your company uses customer credit scores.**

PSE does not use a credit score; we utilize a propensity to pay score which is based on historic, unique customer payment behaviors only with PSE.

**13. Please provide a list, including addresses, of all payment locations, the tender accepted at each location, and any fees.**

PSE does not charge payment fees at any of its approved payment locations. The table of approved locations and accepted payment tender for each location is provided in Appendix A and at this link [PSE | Find a Pay Station for Your Bill](#). Third parties may process utility payments at locations not in this approved list for a fee.

**14. Does your company use liens in any of its practices? If so, please explain your practice(s).**

If PSE property is damaged by a third party, we have a damage claims process to collect those damages. There are times when PSE may obtain a lien against an individual or a corporation, although it is not common. It could occur under the following circumstances:

- If PSE is unable to voluntarily collect from a party for a damage claim (either by payment in full or by agreeing to a payment plan overtime) it will seek a judgement in a court of law.
- Judgements are then sent to PSE's collection agency to work to obtain payments. If the collection agency is unable to obtain a voluntary agreement to pay or make payments, they may seek to obtain a lien against the party.

**15. Are there any other changes the Commission should consider to the customer notice rules in WACs 480-90-193, 480-90-194, 480-90-195, 480-90-197, 480-90-198, 480-100-193, 480-100-194, 480-100-195, 480-100-197, 480-100-198? Please provide any suggested changes in legislative format (track changes).**

PSE proposes deleting WAC 480-90-193(2) and WAC 480-100-193(2) because they are impractical and not an option of which customers avail themselves. Furthermore, WAC 480-90-193 (1)(c) and WAC 480-100-193 (1) (c) should cover any need for a physical copy of a tariff or section/page of a tariff.

PSE does not propose any further changes at this time.

**ADDITIONAL QUESTIONS FOR WRITTEN COMMENTS OR DISCUSSION****16. Should the Commission broaden the requirements for offering payment arrangements? For example, see Maine’s Consumer Protection Standards for Electric and Gas Transmission and Distribution Utilities at p. 23, linked [here](#). Should the Commission adopt a similar policy?**

The Commission should not adopt a payment arrangement policy similar to Maine’s. Customers already receive several of the protections listed in Maine’s policy through WAC rules, such as WAC 480-100-143 defining Washington’s winter low-income payment program, or from utility practice, such as PSE sending the customer confirmation of their payment arrangement plan. Furthermore, the largest difference between Maine’s policy and existing practice in Washington is that Maine’s policy specifies what criteria the utility must consider in order for a payment arrangement to be reasonable, while utilities in Washington do not have those restrictions. This flexibility is better for customers as it allows the customer to select the option that best fits their needs. The customer is best able to know how much they are able to pay, when, and how much time they need to pay off their past due balance; PSE does not and cannot know the customer’s complete life situation impacting their ability to pay, therefore, the customer is best situated to select the payment arrangement plan, not PSE. Adopting Maine’s payment arrangement plan would remove that flexibility that benefits the customer.

Described below is how PSE offers payment arrangements:

Payment Plans are agreements between a customer and PSE that allow the customer to make incremental payments on their outstanding balance. Deferrals, Installment Plans, and Payment Arrangements may be established on a Business Partner's account for several reasons, including:

- Inability to pay charges by the due date
- Back-billing
- Medical Emergency
- SAP charges (Customer Construction, Appliance Repair)
- Deposit

Customers may select the frequency and duration that best fits their needs. They can select between weekly, bi-weekly, and monthly plans that are offered for up to 18 months. Customers may have up to 6 failed payment plans in a rolling 12 months, there is no upfront minimum amount due, and the customer is responsible for paying the past due payment plan amount they agreed to including any on-going future usage. Customers can choose to self-serve on PSE.com, call our IVR, or speak to an agent to set up a payment plan.

## U-210800 Comments of Puget Sound Energy

**17. If disconnections for non-payment continue:**

- a. **The Commission currently requires site visits prior to disconnecting a customer with a medical certificate or a customer who has received energy assistance. Should a site visit be required prior to all disconnections for non-payment?**

No. Based on the process outlined in U-180525 regarding AMI Rulemaking, only medical certificates or customers that have received energy assistance should require a site visit. A site visit to all customers up for disconnection is not feasible based on the growing number of arrearages coming out of the Disconnect Moratorium. We conduct several outreach attempts to the customer in advance of disconnection. Remote capabilities should be a way for the company to complete the disconnection order, so it does not expire. If the order expires, the customer goes back through the dunning process, likely seeing additional past due amounts to be paid.

- b. **Should the Commission require a minimum overdue account balance prior to disconnecting for non-payment?**

No, PSE supports the ability of an individual utility to set an appropriate minimum overdue account balance based on their arrearage data.

- c. **Should the Commission require Commission approval before a utility disconnects a customer, as it did in Docket U-200281?**

No. The Commission upheld the decision to disconnect 96% of customers who reached the disconnect queue. The remaining 4% of customers indicated they had paid or would take some action and were removed from the disconnect queue.

**18. Should the Commission consider adding energy assistance requirement rules? If so, what should be included?**

- a. **Should there be requirements for Percent Income Payment Plans?**

No. PSE would need to collect, store, and maintain sensitive income data to do the PIP calculations. The bill discount rate required by RCW 80.28.068<sup>4</sup> is a better option for customers.

---

<sup>4</sup> RCW 80.28.068: Rates—Low-income customers. (wa.gov)



## U-210800 Comments of Puget Sound Energy

**b. Should there be requirements for Arrearage Management Plans?**

No. In order for utilities to best meet unique customer circumstances, arrearage management plans should be determined by the utility based on the individual needs of their customers and the technological capabilities available.

**19. How might the Commission modify the notice methods listed in WAC 480-90-194(1)-(3) and WAC 480-100-194(1)-(3) to better reach customers?****a. Considering the reduced consumption of traditional newspaper media, is it still appropriate for customer notices to be published in newspapers?**

PSE uses traditional newspaper along with digital channels, including pse.com, MyPSE app, and email, to reach customers. Traditional newspaper remains a valuable asset to ensure all customers have the ability to see the notice, especially customers who do not use or opt into digital communication. In addition to traditional newspapers, optional digital channels enhance PSE's ability for customers to receive the information in an appropriate time and manner. PSE utilizes optional digital channels to ensure customers can access links provided to gain further details about PSE's proposed filing or get information about the Commission's open meeting.

**b. Are there any alternatives to newspaper publishing we should consider?**

In rural communities, PSE finds the best communication strategies include finding local bloggers; smaller online community news websites; coordinating with community organizations, local first responders and local jurisdictions; and coordinating town halls either in-person or via video.

**20. Should the Commission require utilities to provide to the Commission a copy of any customer notice made in connection with a tariff filing before the notice is distributed to customers?**

Such a requirement is not necessary. PSE already voluntarily provides the Commission Staff on occasion with a copy before the notice is distributed to customers, especially if PSE has a specific question for the Commission Staff. PSE believes that there is a strong relationship and communication already in place with the Commission Staff for customer notices. The current WAC requirements are fairly clear on the necessary content of a customer notice, so PSE does not believe there is a compelling need for such a requirement. Also, utilities can already informally ask the Commission Staff questions regarding a specific customer notice in advance of it being distributed to customers, which is something that PSE has done several times in the past.

U-210800 Comments of Puget Sound Energy

If the Commission were to make such an additional requirement, it should be made clear that this is a required courtesy copy and the requirement should not slow down the utility's timeline to get the customer notice finalized for publication. The timelines are already exceptionally tight, and a new requirement of provision of a courtesy copy to the Commission prior to the distribution to customers should not create any extra days or delays in the utility's current timeline along with the risk of incurring additional costs.

**21. What can the Commission do to help ensure customers know about tariff filings and to help ensure that customers know about the Commission?**

The Commission's news releases about tariff filings generate media coverage and raise general awareness about these tariff filings that impact customers. A recommendation would be to have more areas within the UTC website to access the most recent filings.