



UE-190529

STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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December 1, 2021

Amanda Maxwell, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop S.E.
Lacey, Washington 98504-7250
P. O. Box 47250
Olympia, Washington 98504-7250

RE: *Washington Utilities and Transportation Commission v. Puget Sound Energy*, Dockets UE-190529, UG-190530, UE-190274, UG-190275, UE-190991, UG-190992, UE-171225, and UG-171226 (*Consolidated*)

Dear Amanda Maxwell:

On July 8, 2020, the Washington Utilities and Transportation Commission (Commission) entered Order 08 in Dockets UE-190529 and UG-190530 (consolidated), Final Order Rejecting Tariff Sheets; Authorizing and Requiring Compliance Filing (Order 08). Order 08, among other things, required Puget Sound Energy (PSE or the Company) to:

- (1) Develop a disconnection reduction plan in consultation with the Company's Low-Income Advisory Committee (LIAC) and file the plan within one year from the effective date of Order 08.
- (2) File an annual report for the purpose of analyzing and monitoring disconnection trends.
- (3) File a report that itemizes actual costs for community action agencies to administer PSE's energy assistance programs.¹

On July 8, 2021, PSE filed with the Commission its Disconnection Reduction Plan, a report on disconnection data in calendar year 2019 and a report on actual costs for community action agencies to administer PSE's energy assistance programs in the last two program years (Collectively, Plan and Reports). On August 13, 2021 after discussion with Commission Staff

¹ Order 08 at ¶ 546 and ¶ 781-782

(Staff), PSE filed an addendum to the Disconnection Reduction Plan which provides additional clarifying detail. On October 11, PSE filed a second addendum to the disconnection reduction plan to describe the company's upcoming Supplemental Crisis Affected Customer Assistance Program (CACAP) and clarify its intention to offer extended payment arrangement on a case-by-case basis to customers beyond the 180-day post moratorium period. Staff reviewed the Plan and Reports provided by PSE dated July 8, August 13 and October 11, 2021.

On September 24, 2021, Public Counsel filed comments under Dockets UE-190529 and UG-190530.² Public Counsel believes that the Plan is out of compliance with Order 08 as several temporary customer protection measures described in the Plan expired on September 30 along with the expiration of the disconnection moratorium.³ Specifically, Public Counsel points to the reduction of long-term payment plans from 18 months to 12 months, reinstatement of customer fees, and resumption of reconnection deposits 180 days after the disconnection moratorium ends. Public Counsel recommends the Commission order PSE to maintain current customer protection practices under the Commission-ordered COVID relief. Additionally, Public Counsel recommends the Commission immediately initiate a CR-101 process to investigate the impact of utility disconnection practices and customer fees, per Commission order in Docket U-200281.

The Energy Project did not provide comments on this compliance filing. However, Mr. Shawn Collins expressed concerns about the level of arrearages and the risk of disconnection to customers in a conversation with Staff. To address the Energy Project's concerns, PSE has agreed to provide data and updates on PSE's disconnection reduction efforts and outcomes in the LIAC meetings and make the disconnection discussion a recurring LIAC agenda item.

Staff believes the advocacy for continued COVID-19 relief measures should be addressed in the COVID-19 Response Docket U-200281. The costs and benefits of maintaining these practices permanently cannot be evaluated without opportunity for comment by all interested stakeholders in a broader forum. In addition, the Commission opened Docket U-210800 to address "potential long-term changes and improvements to customer notice, credit and collection rules, including permanent elimination of late fees, disconnection and reconnection fees, and deposits."⁴ The new docket will be the proper forum for parties to provide comments on those matters.

Staff also believe that the rest of Public Counsel's concerns have been addressed. Most importantly, the Commission approved the supplemental CACAP on November 13, making \$34.6 million available to relieve customers' account balances if the customers' household income is estimated to be at or below 200% of the federal poverty line.⁵ Furthermore, PSE has committed to offer extended flexible payment plans, as discussed in its second addendum to the disconnection reduction plan. PSE also agrees to discuss disconnection status and its efforts to reduce disconnections at each LIAC meeting. All these measures will enhance PSE's efforts to

² Public Counsel submitted the same comments concurrently in COVID-19 Response Docket U-200281.

³ *In the Matter of Response to the COVID-19 Pandemic*, Docket U-200281, Order 04 Amending Order 03 (Jul. 2, 2021)

⁴ Docket U-200281, Order 01, Appendix A *Revised Commission Staff Term Sheet*.

⁵ Dockets UE-210792 and UG-210793

reduce disconnections and addresses the concerns Public Counsel raised.⁶

The Company consulted their LIAC in the development of the Disconnection Reduction Plan as well as the supplemental CACAP. The Plan discusses existing practices and upcoming changes to further reduce disconnections. The Company also provided the reports on 2019 disconnection data and on itemized actual costs for community action agencies to administer the Company's bill assistance program. Therefore, Staff believes that the Plan and Reports complies with all three requirements, discussed above, in the Commission's Order 08, entered July 8, 2020.

Sincerely,

Hanna Navarro
Regulatory Analyst

⁶ It is estimated that the supplemental CACAP could benefit additional 50,000 customers.