

**EXH. CLW-7
DOCKETS UE-22 ___/UG-22 ___
2022 PSE GENERAL RATE CASE
WITNESS: CAROL L. WALLACE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**Docket UE-22 ___
Docket UG-22 ___**

**SIXTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

CAROL L. WALLACE

ON BEHALF OF PUGET SOUND ENERGY

JANUARY 31, 2022

Discount Rate (DR)
Seeking Initiation Funding
Corporate Spending Authorization (CSA)

Before starting: Contact the Capital Budget team (CSA-TeamMail@pse.com) for any clarification needed and review the [CSA Standard](#) when completing this template.

The sections provided expand / are not limited to one row. **Ensure you provide adequate information and back-up documentation to support your business case.** If a section or item is not applicable, enter N/A; if unknown, enter TBD. The gray fields are provided as prompts; do not leave these fields with instructions visible.

Date Submitted:	1/15/2022
Officer Sponsor:	Andy Wappler
Project Director:	Carol Wallace
Responsible Cost Center:	4043

I. Project Overview

Update each section with high level information as applicable, noting any changes from the previous request/Gate.

Business Need: The COVID-19 pandemic has had a profound impact on our customers and communities across many aspects of normal daily life – including customers’ finances and ability to pay their utility bill. As of April 25th, 2021 Puget Sound Energy (PSE) has approximately 50k customers at or below 200% of the Federal Poverty Limit (FPL) with an average past due balance of \$494 totaling \$24.7M.

Per the Regulatory Reform Bill SB 5295 - 2021-22 (link to the [Session Law](#)), PSE is required to propose a low-income discount rate and a low-income senior discount rate: “Each gas or electric company must propose a low-income assistance program comprised of a discount rate for low-income senior customers and low-income customers as well as grants and other low income assistance programs.”

To enable the customer experience there must be a portal for customers to be able to view eligibility criteria and to simply submit and understand if they qualify for the Low Income Rate. Employee’s will also need the capability to support customers calling in for qualification for the rate. This experience will enable the customer to receive the rate they qualify for with little back and forth interaction, will enable employees to easily qualify a customer, view the customers rate or reason the customer was not eligible.

Customers who would be eligible fall into specific categories and will be defined further, yet at a high level are senior citizens, veterans, disabled customers, low income customers based on certain criteria and defined within eligibility rules.

To support this legislation the business needs enabling technology investments to support the following areas:

SAP

- Build Low Income Discount rates and eligibility rules based on qualification criteria defined by the business in support of the legislation and rules

CRM

- Automated workflows to assign the correct rate based on agent input

Web

- Provide a customer experience where selections are available based on qualification criteria to ensure a customer receives a low income rate based on their answers

Marketing

- Communication informing customers of new rate and eligibility options

Proposed Solution:

SAP will be enabled through it's existing technology to:

1. Build new low income rates to be used for qualified customers
2. Build the ability in WebIC/CRM for an agent to select eligibility criteria the customer informs the agent of their eligibility
3. Update the move in workflow to automatically assign the correct Low Income Rate for eligible customers during Move In (from Web and WebIC/CRM)
4. Update the rate change process in SAP to change the rate based on customer eligibility
5. Create a workflow to trigger the customer to re-qualify for the Low Income Rate through email and/or letter
6. Update the disconnection /prior obligation workflow to carry the customer's Low Income rate into their new contract account
7. Enable bill print for Low Income Rate and update onbill messaging
8. Enable reporting for Low Income Rates
9. Should a customer move out, or no longer be eligible for the rate the automated move out workflow should revert to the rate associated with the address

Enable and Update the Web to:

1. Add qualification questions during the Move In process to automatically qualify a customer for the Low Income Rate
2. Inform customers through web FAQ's
3. Create integration to the existing portal where customers can qualify for the new low income rate

Reporting:

1. Build the ability for these specific rate options to be segmented into reporting to capture the amounts for discounts, numbers of customers, and other defined items during the project
2. Build the ability for riders and trackers to be reported on as necessary and specified by accounting

Project Outcome/Results:

The project will enable Puget Sound Energy to meet the legislation in providing low income rates to qualified Puget Sound Energy customers.

The implementation will make it easy for customers to interact with a web portal experience or contact a Puget Sound Energy agent who will be able to simply apply for the Low Income Discount rates on behalf of customers. In both experiences the customer will be able to receive information on eligibility. Once on the rate customers will be able to easily identify the rate on their bill and receive communication prior to any requalification needed.

OCM, Process & Training Impact: N/A Low Impact Medium Impact Significant Impact

Outline how significant changes from the project will impact people, process improvement or operational training.

Primary ISP Alignment: Customer [ISP strategy descriptions](#)

Portfolio Description: Strategic [Capital Allocation Definitions](#)

Project Complexity: Straightforward and well understood Complex and well understood Complex and not well articulated

II. Key Schedule and Financial Information

Expected Start Date If Funded:	01/2023
Expected In-Service Date:	01/1/2024

High-Level Schedule *Enter Expected # of Years and Months*

Duration				
Planning	Design	Execution	Total Project	Anticipated Closeout date
2 months	3 months	7 months	12 months	03/2024

Initial Estimated Funding % by Phase as of *Click or tap to enter a date.: Enter values to include both O&M and Capital in the cells below for percentage of funding to be used in each phase of the project.*

Initiation	Planning	Design	Execution	Closeout

Initial Grand Total Estimate (contingency included and in \$000s): Contingency Standard	Capital: \$2,700,000	OMRC/Project O&M: \$ (Not including O&M Tail)
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Estimated Five Year Allocation: *Enter values in the cells below for years anticipated, up to five years, plus any expected future years. Change "Year 1, Year 2, etc. to the relevant years for this project. Ongoing O&M begins after project close-out.*

Category:	Year 1 (2022)	Year 2 (2023)	Year 3 (2024)	Year 4 (2025)	Year 5 (2026)	Total
Capital (contingency included)	-	\$2.7M	-	-	-	\$2.7M
OMRC / Project O&M			\$	\$	\$	\$

III. Ongoing Benefits

Summary Benefits (see Benefits realization plan for details):	
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Category:	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Ongoing O&M (to be funded by business)	\$	\$	\$	\$	\$	\$
Ongoing O&M (requesting \$'s)	\$	\$	\$	\$	\$	\$
Benefits	\$	\$	\$	\$	\$	\$
Net impact (= Benefits – O&M)	\$	\$	\$	\$	\$	\$
* Payback in Years	Years = Total Costs / Annual Cash Benefits					

* Enter positive amount or Not Applicable

IV. Risk Management Summary

Identify high level risk categories expected for the project. Consider Project Dependency, Project Timing and Resourcing, as well as Regulatory Risk.

Summary of high level risks sentence:	If Puget Sound Energy does not do this project we will be in direct violation of the new legislation.
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V. Phase Gate Change Summary

Use this section for changes from: **Planning to Design, Design to Execution or Execution to Closeout** phases. To have a history of the changes at each phase gate change, **copy/paste the table below above the previous table.**

Phase:	Choose an item
Scope:	Describe the Scope changes since last submission/Phase Gate.
Budget:	Describe the Budget changes since last submission/Phase Gate.
Schedule:	Describe the Schedule changes since last submission/Phase Gate.
Benefits:	Describe the Benefits changes since last submission/Phase Gate.

Prepared by:	Name of person completing document
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VI. CSA Approvals

Add/remove rows as needed in the table below. Email approval is acceptable. To maintain a history of the changes at each phase gate change, **copy/paste the table below above the previous table.** Send to the Capital Budget team at CSA-TeamMail@pse.com. For a project in the Strategic Project Portfolio (SPP) review the [Escalation Criteria](#) for appropriate escalation and approvals.

For guidance on approval authority levels, follow [CTM-07 Invoice Payment Approval Exhibit I Invoice/Payment Approval Chart](#)

Project Phase	Select Phase			
Approved By	Title	Role	Date	Signature
		Choose an item		
		Choose an item		
		Choose an item		
		Choose an item		
		Choose an item		

*Director Sponsor attests that all considered documentation has been approved.

Please direct any questions to either:

1. The Capital Budget team at CSA-TeamMail@pse.com, or
2. The Enterprise Project and Performance Project Practices team at EPP-ProjectPracticesTeam@pse.com