

JULY 2, 2019

TO: Debra Smith, General Manager and CEO
Jen Chan, Chief of Staff

FROM: Kirsty Grainger, Interim Chief Financial Officer *KG*

SUBJECT: Filing of DPP 500 P III-425 "Customer Dispute Resolution & Utility Hearing Officer"

The attached Department Policy and Procedure (DPP 500 P III-425) has been revised and is submitted for your approval. Public notice of the proposed rule was printed in the Daily Journal of Commerce on June 17, 2019.

The public comment period has concluded and there were no comments received for our notice of proposed rulemaking. In that regard, we are ready to finalize the DPP and request that you authorize and sign the enclosed memo and DPP document to be filed with the City Clerk's Office.

The attached Seattle City Light Department Policy and Procedure has been revised and contained herein is my authorized approval for the above noted action.



Debra Smith
Seattle City Light General Manager and CEO



Date

CUSTOMER DISPUTE RESOLUTION & UTILITY HEARING OFFICER

DPP NUMBER	DPP 500 P III-425		
EFFECTIVE DATE	7/2/2019	SUPERSEDES: 10/13/2017	
APPROVED BY	<i>Diana Smith</i>		DATE 7/2/19

1.0 Purpose

- 1.1 This Department Policy and Procedure establishes Seattle City Light’s retail bill dispute resolution process, including the dispute resolution roles and responsibilities of the Utility Hearing Officer and other Department staff. The policy and associated procedures only apply to claims identified in Section 5.0 regarding a customer’s retail bill for services received from City Light. This appeal process is not available to billing disputes arising from intentional current diversion (electricity theft) or other services.

2.0 Definitions

- 2.1 Alternate Utility Hearing Officer. Appointee of the Legal Affairs Advisor to act in the capacity of the Utility Hearing Officer.
- 2.2 Appeal. A customer’s application to the Utility Hearing Officer requesting that the prior reviewer’s resolution of her/his dispute be reversed or changed.
- 2.3 Department. Seattle City Light.
- 2.4 Customer. Any person, firm, corporation, entity, organization, government agency, property owner, tenant, or other party who received services from the Department, or who contracts or has contracted with the Department for services, including but not limited to the provision of electricity.
- 2.5 Informal Dispute Conference. A Step 1, 2, or 3 conference between a customer and a Seattle City Light representative (e.g., Customer Service or Electric Service Representative, Supervisor, or Manager) who has authority to both review and adjust customer accounts, and to establish payment plans/arrangements.
- 2.6 Utility Hearing Officer. The Utility Hearing Officer (“Hearing Officer”) or their designee is a management-level staff authorized to hear and decide appeals.



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3.0 Policy

- 3.1 Fair and Timely Consideration. A customer's utility dispute will be given fair and timely consideration.

4.0 Procedure

- 4.1 Progressive Dispute Resolution Process. The Department has a progressive dispute resolution process. Each reviewer will thoroughly analyze the dispute and communicate with the customer, pursuing the goal of resolving the customer's dispute without the need for further review.
 - 4.1.1 Four Steps. The four steps of review are:
 - 4.1.1.1 Step 1. Informal Dispute Conference: Initial Conference Review
 - 4.1.1.2 Step 2. Informal Dispute Conference: Supervisor Review
 - 4.1.1.3 Step 3. Informal Dispute Conference: Manager Review
 - 4.1.1.4 Step 4. Formal Dispute Conference: Hearing Officer Review
- 4.2 Step 1 – Informal Dispute Conference: Initial Review. Any bill dispute will initially be reviewed by a Department representative for accuracy, correction of inaccuracies or billing problems as warranted, and equitable application of laws, policies, and procedures.
- 4.3 Step 2 – Informal Dispute Conferences: Supervisor Review. If the customer is dissatisfied with the outcome of the Step 1 review, the customer may request a second review by a supervisor.
- 4.4 Step 3 – Informal Dispute Conference: Manager Review. If the customer is dissatisfied with the outcome of the Step 2 review, the customer may request a third review which shall be completed by a Department Manager designated by an Officer/Director.
- 4.5 Step 4 – Formal Dispute Conference: Hearing Officer Review. If the customer is dissatisfied with the outcome of the Step 3 review, the customer may request a final administrative review by filing an appeal with the Hearing Officer.
 - 4.5.1 Alternate Hearing Officer Appointment. An alternate Hearing Officer may be appointed by the Legal Affairs Advisor as needed.
 - 4.5.2 Full and Prompt Assistance to Hearing Officer Required. Upon request of the Hearing Officer, any Department staff who participated in identifying, analyzing, or addressing the appeal dispute shall promptly provide complete background information.
 - 4.5.3 Premature Appeal Requests. If customers submit an appeal request directly to the Hearing Officer without having completed the Informal Dispute Conferences, the request will be considered premature. The Hearing Officer shall promptly refer the premature request to the proper reviewer and inform the customer of this fact. The Informal Dispute Conferences will be completed with the goal of resolving the dispute without the need for a formal appeal.

- 4.5.4 Denied Appeals. Appeals that are neither premature but were submitted after the 15-day deadline for filing an appeal may still be eligible for review by the Hearing Officer, provided that good cause is shown.
 - 4.5.4.1 Notice of Denied Appeals. The Hearing Officer must notify the customer and appropriate Officer/Director of any appeals that were denied for reasons other than being premature.
- 4.6 Customer's Right to Appeal. Customers who disagree with the decision of a designated reviewer shall have the right to dispute a bill progressively up to the Department's Hearing Officer.
- 4.7 Initiating the Appeal Process. A customer must initiate an appeal by submitting a written request to the Hearing Officer within 15-calendar days after the Step 3 resolution.
 - 4.7.1 Dispute Description. The written appeal must state the customer's utility account number, describe the nature of the dispute, the dollar amount or action being disputed, why the matter is being disputed, and the corrective action sought.
 - 4.7.2 Translation Services. Appeals will be translated as needed, provided that translation in the subject language is offered by the Department. The need for translations may delay the appeal process.
- 4.8 Continued Service during Dispute. A customer pursuing an appeal hearing shall continue to receive electrical service so long as the customer pays all undisputed amounts, including amounts due under a payment plan/arrangement.
- 4.9 Information Gathering. Upon receipt of an appeal, the Hearing Officer shall request complete background information about the dispute from the Step 3 reviewer. The Hearing Officer may supplement the review by collecting records from, and interviewing other staff involved in the dispute. This information shall be provided to the Hearing Officer as soon as possible to facilitate the speedy conclusion of the dispute process.
 - 4.9.1 Consideration of Relevant Information. The Hearing Officer shall consider all relevant information provided by the customer, Department staff, and any other knowledgeable individuals or entities.
 - 4.9.2 Evidence Contradicting Department Records. If the customer's testimony or evidence contradicts Department records or information, the Hearing Officer shall make a reasonable determination as to the accuracy of the relevant facts and circumstances. To this end, the Hearing Officer may exercise discretion in having Department staff or outside professionals evaluate the issue.
- 4.10 Appeal Hearing. Appeal hearings are conducted by telephone on weekdays during normal business hours. In person hearings can be arranged with advance notice.
 - 4.10.1 Interpreter Services. Absent the customer's election of their own interpreter, the Department's services for interpretation, teleprinters/teletypewriters (TTY), or Telecommunications Device for the Deaf (TDD) will be used in cases where there is a language, speech, or hearing barrier.

- 4.11 The Appeal Decision. The Utility Hearing Officer shall issue a written decision summarizing the customer's appeal by describing the supporting facts and relevant laws, and stating the Hearing Officer's final decision. The written decision will be mailed to the customer by US Mail or e-mail according to the customer's preference.
 - 4.11.1 Translation Services. Appeal decisions will be translated as needed, provided that translation in the subject language is offered by the Department. Translations may delay the appeal process.
 - 4.11.2 Finality of Appeal Decision. The Hearing Officer's written decision shall be final, and shall not be subject to administrative reconsideration by the Department after the ruling is posted to the account.
- 4.12 Exceptions for Good Cause: The Hearing Officer may deviate from these procedures for good cause.

5.0 **Types of Billing Disputes.** Disputes between customers and Seattle City Light fall into the following categories:

- 5.1 Electricity shut-offs due to lack of payment;
- 5.2 Estimated bills not based on meter readings;
- 5.3 Large estimated bills for move-in and move-out dates;
- 5.4 Bills involving faulty meters or other equipment failure;
- 5.5 Bills associated with reversed metering;
- 5.6 Bills associated with disagreements between property owners and tenants.
- 5.7 Bills resulting from a customer's damage to Seattle City Light equipment or property; and
- 5.8 Credit or collection actions.
- 5.9 Exception. Back billing disputes for intentional current diversion are not eligible for appeal to the Hearing Officer.

6.0 **Remedies Available to the Hearing Officer:** In addressing customer disputes, the Utility Hearing Officer must consider the facts and circumstances of the dispute, including the customer's account history. The Hearing Officer may:

- 6.1 Waive penalties or late charges, if warranted.
- 6.2 Authorize a payment plan/arrangement, if warranted. Payment Arrangements must not exceed six years.
- 6.3 Recalculate a bill by spreading out consumption, if warranted.
- 6.4 Recalculate a bill if it is based on an inaccurate read, an inaccurate prorated read, or a broken meter, if warranted.

6.4.1 In line with SMC 21.49.090(I), for cases where standard estimation techniques are not feasible (e.g., a meter malfunctions), the Hearing Officer may recalculate the disputed bill using one of the following two options:

6.4.1.1 *Option A – Extrapolate Using Historical Average Daily Consumption Rate:* Obtain a daily consumption rate by averaging the customer’s historical consumption for the past six years, to the extent such data is available, and apply such rate to the back bill.

6.4.1.2 *Option B – Extrapolate Using Future Average Daily Consumption Rate:* This option can be used only if historical data is not available, and requires the customer to pay the disputed back bill either in full or by an authorized payment arrangement. Here, the customer will be allowed to establish a consumption pattern for one year on a new meter. The average daily consumption rate based on that one year will then be calculated and used to recompute the disputed back bill charges. Based on the recomputation, the old back bill will either be adjusted, or cancelled and reissued. If a bill is cancelled, all previous payments remitted toward the cancelled bill will be applied to the newly reissued bill.

7.0 Appendix

7.1 Distribution: Posted for the public online at <http://www.seattle.gov/light/policies/> and internally at <https://seattle.gov.sharepoint.com/sites/SCL/DPP/DPP2013/default.aspx>.

REVISION HISTORY:

DATE	CHANGES MADE	REVISED BY
7/2/2019	Updated to implement changes in business practices.	Authors: Robert Cromwell, Kelly Enright, Mary Doherty, Jim Baggs, and Ivonne Golborne Coordinator: Kim Kinney