



SEATTLE CITY COUNCIL | POSITION 8

COUNCILMEMBER TERESA MOSQUEDA

August 16, 2018

Via Electronic Mail

David G. Jones
City Auditor
City of Seattle
700 Fifth Ave, Ste. 2410
Seattle, WA 98104
davidg.jones@seattle.gov

Re: Audit Request of Seattle City Light

Dear Mr. Jones,

Please consider this correspondence a formal request for an audit into Seattle City Light's billing and customer service practices. We appreciate your office's interest in working with us to identify specific inquiries to meet the objectives and correct the issues described below.

I. INTRODUCTION

To date, my office has fielded numerous concerns regarding alleged over-billing from City Light customers. As I understand from City Light's response, this is a result of "catching up" with actual use by customers following estimated billing. Some errors have occurred as well due to the new system and the extremely high bills have not been caught, in one case City Light said it was due to a staff error because the staffer was new – which is not an acceptable response. Other residents have said that it is because these estimate bills have occurred for more than a year, and residents are getting hit with a massive bill that goes back months or over a year.

This raises various questions about the efficacy of existing processes, and what the potential and actual impacts are on ratepayers. Where the department is spending tens of millions of dollars on programs and infrastructure, consistent issues such as these adversely impact not only customers, but also perception of the department and the city as a whole. Where we must be working to ensure adequate transparency, and build and rebuild trust with residents, these issues create new barriers that may have adverse impacts on other departments and support for services the city provides.

Taking on the responsibility of being point for oversight of City Light on the City Council is not a job I take lightly. As we have been learning this year, there has not been sufficient attention paid to the department, their staff, or the all-volunteer Review Panel in many years. I share the Mayor's desire to change that narrative, and ensure that, during my tenure as a member of this body, we are successful in implementation of processes that will ensure transparency and success

for the department and customers in the immediate future, while also setting up future committee chairs to have a more robust history and set of potential processes to embrace further on.

While audits may be disruptive at times to a department, my hope is that this engagement with City Light will cause minimal disruption, and that the staff feel comfortable and protected in sharing concerns, and in being transparent with your office. It is not my intention to seek out individuals for placement of blame, rather my hope is to better understand the issues at hand, what steps management can take to improve these issues, and what long-term support from Seattle City Council and the Mayor's budget are needed for the department and workers to better provide the service to City Light customers. Through the course of any audit, if there needs to be modifications to ensure we are not disrupting workflow, please communicate with my office so we can collaborate on any necessary audit modifications.

II. AUDIT REQUEST

Pursuant to SMC 3.40.020, I request that the Office of City Auditor perform an audit that addresses the following areas of interest:

1. City Light processes to prevent erroneous or unanticipated catch up bills to customers, including whether they are automated and how they work in practice;
2. Processes to identify and help ensure the accuracy of catch up bills that result from estimated billing;
3. Communications with customers about estimated billing and catch up bills;
4. Processes for resolving customer complaints and appeals;
5. Existing policies to make reasonable accommodations for customers who receive bills that deviate from what they anticipated, including what payment options are available; and
6. The process for reimbursement when customers have been overcharged.

III. REQUEST FOR RECOMMENDATIONS

In addition to the above, to the extent feasible, I would appreciate your team include specific recommendations for ways that City Light can not only address these issues, but be forward thinking in how it addresses similar bill issues that may come up in the future with effective full-implementation of the Advanced Metering Infrastructure program. This should include, but not be limited to, recommendations for the following:

1. Identification of significantly high or low variances from normal billing and determination of whether adjustments should be made before sending statements;
2. Proactive notification and customer engagement when a large catch up bill is identified;
3. Improved customer service engagement, including whether there is a need for additional staffing to support the customer service team;
4. Steps to help ensure improved response times for customers, including new tenants in rental units;

5. Any additional steps that should be taken by City Light and/or the City Council to address concerns identified by the auditing team; and
6. Payment accommodations for customers billed high amounts resulting from estimated or erroneous billing, including, but not limited to, comparisons with other utilities, and what a “reasonable” time-frame is to submit accurate billing to a customer after which time it may be deemed uncollectable within the constraints of Washington law.

IV. CONCLUSION

I believe that the people who work for Seattle City Light are doing the best that they can with the tools provided. The dedication of these public servants is often overlooked when these types of errors occur. I am personally concerned with the impacts on morale when so often the “reasons” given by management boil down to “that was the failure of an employee,” when it appears that there is a failure of the process.

This issue came up during the Strategic Plan discussions, wherein we learned that many processes are knowledge-based, and there is a reliance on individuals with experience, rather than clear guidelines on paper. With an aging workforce, this is a disservice to customers, and a disservice to the workers expected to take on roles when people retire. I remain concerned that there has been an abdication of responsibility by management to ensure that there are clearly defined and written practices and procedures. This extends beyond the issue at bar, and is something we have seen with respect to workplace culture and harassment, as well.

Over the coming weeks, I look forward to working collaboratively on the workplan and timeline for this request. Throughout the audit itself, I welcome continued conversations about scope, and any assistance you need from my office to effectively look into these issues and provide the requested recommendations. Please feel free to contact me or my staff assigned to this issue, Michael Maddux, with any questions, concerns, or requests as your team performs the requested audit. Thank you in advance for your work and commitment to our city.

Sincerely,

A handwritten signature in blue ink that reads "T. Mosqueda" followed by a horizontal flourish.

Teresa Mosqueda
Seattle City Council, Pos. 8
Chair – Housing, Health, Energy, and Workers’ Rights Committee