

EXHIBIT "A" TO RESOLUTION NO. 4881

DISPUTE RESOLUTION PROCEDURE

Sections

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1. MANDATORY HEARING. Any customer or other person (hereinafter referred to as "customer") who believes that he/she has been adversely affected by a decision which the District has made to:

- (a) Terminate the delivery of electric service (i.e., disconnect the customer); or
- (b) Refuse to deliver electric service (i.e., not connect the customer); or
- (c) Require the customer to pay for electric service previously delivered (i.e., transfer an outstanding balance to a new account); or
- (d) Require the customer to make periodic payments in specific amounts to pay for electric service previously delivered as a condition of receiving electric service (i.e., require a payment plan); or
- (e) Require the customer to provide security as a condition of receiving electricity (i.e., require a security deposit); or

- (f) Require the customer to pay a fee set forth in the current Customer Service Regulations (e.g., a reconnection fee, account service fee, etc.);

has the right to have that decision reviewed in a hearing to be held by a District Hearing Officer.

2. DISCRETIONARY HEARING. The District may, at its discretion, with the approval of the General Manager or the General Manager's designee, provide a hearing to any customer who believes he/she has been adversely affected by any decision of the District on any matter other than the decisions listed in Section 1 hereof.

3. BINDING DECISION. The decision of the Hearing Officer shall be final, unless either party elects to challenge the decision in a court of law.

4. WRITTEN HEARING REQUEST. A request for a hearing must be made in a writing signed by the customer or by someone with legal authority to act on the customer's behalf. Each hearing request must include a short and plain statement of both the decision to be reviewed and the relief which the customer is requesting. In addition, each hearing request must include an address to which notices, including notice of the hearing date and location, the decision of the Hearing Officer and any other written communications may be mailed to the customer.

5. DELIVERING REQUEST FOR MANDATORY HEARING. The customer's written request for a mandatory hearing must be delivered to the District's Office of General Counsel or to the District's Customer Services Division. General Counsel's office is located in the Central Administrative Office Building, 2320 California Street, Everett, Washington. The Customer Services Division has offices in the Central Office Administrative Building and in each of the District's Area Offices.

6. DELIVERING REQUEST FOR DISCRETIONARY HEARING. If the District has informed the customer that it will provide a discretionary hearing, the customer's written request for a discretionary hearing must be delivered to the District's Office of General Counsel or to the office of the District official who agreed to provide the hearing.

7. HEARING DATE. The Office of General Counsel will determine the date and time of the hearing, which shall be held at the District's Central Administrative Office Building within ten (10) business days after the hearing request is received in General Counsel's office: PROVIDED, That a hearing date will not be established if the written hearing request does not include an address to which notices to the customer may be mailed or if the written hearing request is, in the opinion of the Office of General Counsel, otherwise materially deficient.

8. NOTICE OF HEARING. The Office of General Counsel will mail notice of the hearing or, under the circumstances described in Section 7 above, notice that a hearing date will not be established by first class mail, postage prepaid, to the customer at the address set forth on the hearing request within three (3) business days after the hearing request is received in General Counsel's office.

9. DISTRICT'S ACTION STAYED PENDING RECEIPT OF WRITTEN REQUEST FOR HEARING. If a customer:

- (a) Contacts the District within three (3) business days after receiving notification, whether written or oral, of a decision of the District; and
- (b) Is orally informed that the customer may have a hearing to review that decision; and
- (c) States, within one (1) business day after being informed that a hearing is available, that the customer intends to request a hearing;

then, as a result of the statement of intent, all District action which would be taken as a result of the decision shall be stayed until the written request for a hearing is received by the District or for a period of six (6) business days after the date upon which the customer orally stated that a hearing would be requested, whichever is earlier.

10. DISTRICT'S ACTION STAYED PENDING HEARING. If the District receives a written request for a hearing within the time set forth in Section 9 above, all District action which would be taken as a result of the decision shall be stayed until Noon five (5) business days after the Hearing Officer's written decision on the matter is received by the Office of General Counsel: PROVIDED, That if a hearing date is not established for a reason set forth in Section 7, District action will not be stayed.

11. SECURITY DEPOSIT PENDING HEARING. If a customer requests a hearing to dispute a debt for electric service which exceeds \$1,000 and the customer wishes to receive electric utility service until the hearing is held, the customer must provide security for the electric service to be provided by the time the written request for a hearing is delivered to the District. The amount of security will be the amount of money that will reasonably accrue from the usage of electricity, based upon prior usage at the facility involved, from the date the customer orally informs the District that a hearing will be requested until thirty (30) days thereafter.

12. PERFORMANCE PENDING HEARING. All obligations which are not the subject of the dispute to be decided by a Hearing Officer shall be performed by the District and/or the customer. This shall include, in the case of a dispute over amounts to be paid, the payment of all non-disputed amounts.

13. FAILURE TO APPEAR. If a customer fails to appear for a hearing within fifteen (15) minutes after the time set forth in the notice of hearing, the customer will be in default and the Hearing Officer shall decide the disputed matter in favor of the District and, in addition, shall award the District costs of \$70, which may be added to any existing account of the customer. If the customer fails to appear, the customer's request for another hearing will not be granted unless the failure to appear was caused by an emergency or because of the occurrence of an unforeseeable circumstance or event, which shall be determined by the Office of General Counsel,

and the customer pays the \$70 fee prior to the subsequent hearing. In such case, the subsequent hearing must be held within five (5) business days of the original hearing.

14. CONTINUANCES. Any request for a continuance shall be made to the Office of General Counsel, which shall grant such a continuance only in the case of an emergency or because of the occurrence of an unforeseeable circumstance or event. Any request for a continuance made by a customer which is not received at least twenty-four (24) hours (i.e., one complete business day) before the scheduled hearing may result in an award of \$70 in costs to the District, which may be added to any existing account of the customer.

15. REPRESENTATION. A customer may represent himself/herself or may be represented by an attorney, relative, friend, or any person other than a District employee. The District will not be represented by an attorney unless the customer is so represented. If the customer is to be represented by an attorney the customer must inform the District of that fact at the time the written request for a hearing is delivered to the District, or if the services of an attorney are procured later, then as soon as such representation is arranged.

16. EVIDENCE. The Hearing Officer may consider evidence which will assist the Hearing Officer in reaching a decision and may give effect to the rules of privileged communications (e.g., attorney/client privilege, husband/wife privilege, etc.) under the law. Information that is irrelevant or unduly repetitious may be excluded. Documentary evidence may be received in the form of copies or excerpts. Each party shall have the right to ask questions of persons who make statements at the hearing.

17. LEGAL AUTHORITY. The Hearing Officer shall apply as the first source of law District Resolutions, Manager's Directives and regulations. If none of these govern or decide the issue(s) presented, the Hearing Officer shall resolve the issue(s) on the basis of the best legal authority and reasoning available, including that found in the state and federal constitutions, statutes and court decisions. If the Hearing Officer determines that additional legal authority should be submitted or that additional time is required to adequately consider legal arguments, the Hearing Officer may take a case under advisement for a reasonable period of time, the estimated length of which is to be announced at the hearing.

18. LIMITATION ON AUTHORITY. The Hearing Officer shall not have the power to declare a District Resolution, Manager's Directive, provision, regulation or any portion thereof invalid for any reason, but may allow argument to be made for purposes of subsequent review.

19. REVIEW OF DISTRICT ACTION. If the dispute involves a question of whether the customer is indebted to the District, the District must establish the customer's obligation by a preponderance of the evidence. If the dispute involves a question of whether a District decision is inconsistent with the regulations of the District, the customer must establish that the District's decision is a willful and unreasonable action made without consideration and in disregard of facts and circumstances.