

November 8, 2021

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

RE: UM 2114—PacifiCorp’s Comments Regarding Disconnection Protections for Residential Customers

PacifiCorp, d/b/a Pacific Power (PacifiCorp or the Company), provides the following comments in response to the Public Utility Commission of Oregon (Commission) Staff’s September 29, 2021 email request for comments regarding proposed disconnection customer protections.

General Comments

PacifiCorp appreciates Staff’s recommendations but would like to make sure that the Commission, stakeholders, and the utilities are taking into consideration the changes necessary to implement the changes being offered.

PacifiCorp notes that some of the proposed recommendations made by Staff is to waive or remove fees or charges designed to help recover the cost of doing specific work and/or to prevent bad debt expense. Fees are based on the long-standing ratemaking principle of cost causation, and deposits are used to offset bad debt. PacifiCorp advocates a conservative approach to eliminating charges to reduce the overall costs for all rate payers.

Additionally, some of the recommended rule changes proposed by Staff would require significant system changes or enhancements to allow for separate processes for different customers. For example, identifying and separating the automation of charges or noticing for customers on energy assistance. Carving out a completely new process for a subset of residential customers to ensure that specific charges are waived would either require a change to system logic or require manual intervention by customer service employees. This can lead to administrative burden and possible confusion or error.

Staff has outlined several recommended protections for customers on energy assistance. PacifiCorp has traditionally identified and provided information regarding low-income customers to the Commission and to stakeholders based on a customer receiving energy assistance within a specific period of time, typically within the prior 12 to 24 months. PacifiCorp recommends defining this group of customers as those that have received energy assistance, not on energy assistance. Further, specifically designating protections for customers who have received energy assistance could potentially lead to low-income customers being missed.

Customers on Energy Assistance

45-day notice in lieu of a 15-day notice (860-021-0405) to allow time to obtain necessary funding

PacifiCorp does not agree that extending the existing notice requirement from 15 days to 45 days is necessary. Oregon Administrative Rule (OAR) 860-021-0405 requires utilities to provide past due residential customers with a 15-day notice, a 5-day notice, and attempt personal contact with the customer with six outbound phone calls over the three days prior to possible disconnection of service. Additionally, PacifiCorp provides customers the option to receive additional notice in the form of email and text communications. Further, the credit and collection cycle for a past due balance currently provides more than 60 days for a customer to contact the Company to make arrangements to stop disconnection of service.

The timing of the collection notices allows the Company to provide the customer with advance notice that falls due before the next customer billing cycle. With the noticing occurring at the time of the customer's monthly bill, allowing 45 days pushes into the next billing cycle where the customer is further behind on their account, potentially resulting in an increase in bad debt expense that could lead to increased rates for all customers.

If the noticing requirements were to change, PacifiCorp would also require significant system enhancements to offer different noticing to customers that have received energy assistance, creating two different noticing paths for customers. This would also potentially lead to more customer confusion, employee confusion, and provide inequities for low-income customers that have not been identified as having received assistance.

TPAs extended to 24 months (860-021-0415)

PacifiCorp does not agree with permanently extending payment plan arrangements to 24 months at this time. The Company has been providing customers with 24-month payment plans resulting from the stipulated agreement in UM 2114 to help assist customers during the COVID-19 pandemic. However, it's still too early to determine whether the longer-term payment plans are effective, particularly given that PacifiCorp has only just recently been providing disconnection notices and the Company's customer service system doesn't automatically cancel payment plans when customers default, only when service is disconnected.

Waive reconnect fee and field visit charge (once, maybe twice per year)(860-021-0330 and 0420)

Reconnection fees and field visit charges are in place to help recover the cost of the Company sending employees to disconnect and reconnect service, or to abate disconnection when a customer has made a payment or speaks to a field employee at the customer's residence. With advanced metering infrastructure (AMI) technology in place, PacifiCorp has access to remote disconnection and reconnection capabilities for most customers (some have opted out of AMI). PacifiCorp would support waiving reconnect fees for customers who have remote disconnection/reconnection capability.

PacifiCorp does not support waiving a reconnect fee once or twice per year, as it would create opportunity for error by customer service representatives manually researching customer accounts or require system enhancements. PacifiCorp would support waiving the reconnection fee once per customer when a customer seeks reconnection for their first time.

Waive deposit payments (860-021-0205)

PacifiCorp supports the recommendation to waive deposit requirements for residential customers who have received energy assistance.

Allow equal payment when there is a balance on the account (860-021-0414)

The OARs already allow for a levelized payment plan for customers with an account balance. OAR 860-021-0415(2) specifically allows a levelized payment plan with a down payment equal to the average annual bill including the account balance, divided by 12, and a like payment each month for 11 months thereafter.

Notify Energy Trust of customers placed on Energy Assistance. Share customer information, including energy usage and billing data

PacifiCorp does not support provided the Energy Trust of Oregon with individual customer usage and billing data. OAR 860-086-0040(2) prohibits sharing customer information.

Medical Certificates

Maintain two-month self-certification (860-021-0410)

PacifiCorp supports the recommendation to allow customers the ability to self-certify and submit confirmation of the need for electricity due to a medical condition at the residence in writing, from a qualified medical professional, within two months.

Maintain not required to enter a TPA (860-021-0415)

PacifiCorp does not agree with the recommendation that customers submitting a medical certificate should not be required to enter into a payment plan. For customers with a past due balance, a payment plan helps provide additional time to catch up on their arrears and avoid seeing the balance reach unmanageable levels. Customers who submit medical certificates and are current on their account are not required to enter into a payment plan.

Severe Weather Moratorium (860-021-0407)

PacifiCorp notes that the severe weather moratorium was adopted in 2017 and has been useful in protecting customers from having service disconnected for non-payment on forecasted days of very low and high temperatures.

Add AQI (100 and above or 150 and above)

PacifiCorp supports making the added protection of an air quality index threshold of 100 or higher to the existing OAR.

Add wildfire displacement (no disconnects during an evacuation order, or the day of and day after the order has been lifted)

PacifiCorp supports adding language to the weather moratorium rule for customers who are displaced by wildfires or other natural events that require an evacuation order the day of and the day after the evacuation is lifted.

Add the 3 days before and after 32 degrees

PacifiCorp does not support adding three days before or after a forecasted 32-degree day. OAR 860-021-0407 was recently adopted and was based on collaborative efforts of the Commission, the utilities, and the stakeholders to provide sufficient protection for customers on forecasted cold days, defined as being at or below 32 degrees. Adding three days before and after a 32-degree day is not practical due to the change in forecasted weather from day-to-day, and would require much more tracking and changing of utility resources and plans on a daily basis. PacifiCorp believes the protection in place for the forecasted 32-degree day in question is sufficient protection.

Add 3 days before and after a heat advisory

PacifiCorp does not support adding three days before or after a heat advisory, for the same reasons listed above for not supporting three-day protection before and after a 32-degree day.

Add an incentive for utility to have a winter protection program, potentially incentivizing a program that would ban disconnections from Dec 1st – March 1st for customers receiving energy assistance, any customer having difficulty paying their bill if the household has children under 18 years old, people 62 years or older, or people whose health would be threatened by the loss of service

PacifiCorp does not support a winter protection program. The Company believes that the protections in place with the existing weather moratorium, existing energy assistance options, payment plan options, and medical certificates provide the necessary protection for customers from disconnection during the colder winter months.

Basic Energy Allotment when customers are disconnected

Customers essentially wouldn't lose all access, but still retain access to a minimal (lifeline) amount of energy for a given period of time as they obtain funding to be reconnected.

PacifiCorp does not support providing customers with partial power or a minimal amount of energy. This option is not currently available to customers as it would be unsafe. Additionally, PacifiCorp does not believe this is a technologically feasible option.

Voluntary Programs

We would like to introduce procedure for allowing customers to donate money to a fund for disconnection abatement. This fund will be included on every customer bill and will allow for

rounding up, or making a specific donation amount. Those funds would be dispersed to customer's facing disconnection, i.e. to defray costs associated with disconnection. These funds should be dispersed to customers, with minimal (>10% of total funds being spent on administrative costs).

PacifiCorp currently solicits participation in the voluntary donation programs described below to help provide additional assistance to low-income customers. All voluntary donation programs are part of PacifiCorp's Oregon Energy Fund program in which the Company matches customer and employee donations two-to-one, up to \$144,000 annually. PacifiCorp partners with the Oregon Energy Fund, a non-profit agency, to offer energy assistance with the donated fund. The Oregon Energy Fund connects with agencies throughout PacifiCorp's service territory to deliver funds to qualified households to help stave off disconnection of service.

- Lend-A-Hand: Customers can choose to donate to the program by overpaying their monthly bill amount by certain dollar increments.
- Small Change: The company will automatically round up the customer's bill to the next nearest dollar and is reflected on the customer's monthly bill due amount.
- Donation Envelopes: Envelopes are sent to customers twice a year in February and November to solicit mailed donations.
- Fixed Donation: Customers can elect to donate a fixed dollar amount to their monthly bill.

PacifiCorp appreciates the opportunity to provide comments and the efforts made by Staff to recommend protections in the administrative rules for customers. While the Company does not fully support all the proposed changes from Staff, PacifiCorp looks forward to having continued conversations with all of the stakeholders on these issues.

If you have any questions regarding this report, please contact Jason Hoffman at (503) 331-4474.

Sincerely,



Melissa Nottingham
Manager, Customer Advocacy & Tariff Policy

Enclosures