

October 28, 2019

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, OR 97301-3389

Attn: Filing Center

**RE: Advice No. 19-013 – Rule 8 – Metering and Schedule 300 – Charges as Defined by Rules and Regulations**

In compliance with ORS 757.205 and OAR 860-022-0025, PacifiCorp d/b/a Pacific Power (Pacific Power) hereby submits for filing the following proposed tariff pages associated with Tariff P.U.C. OR No. 36, which sets forth all rates, tolls, charges, rules, and regulations applicable to electric service in Oregon. The company respectfully requests an effective date of December 4, 2019.

<u>Sheet</u>	<u>Schedule/Rule</u>	<u>Title</u>
Fourth Revision of Sheet No. R8-4	Rule 8	Metering
Fourth Revision of Sheet No. 300-1	Schedule 300	Charges as Defined by Rules and Regulations

**Purpose**

The purpose of this filing is to propose certain changes to Rule 8 and Schedule 300 as described below.

**Background**

PacifiCorp began deployment of Advanced Meter Infrastructure (AMI) in its Oregon service territory in January 2018. In advance of AMI deployment, Pacific Power filed Advice No. 17-001 to voluntarily add language to Rule 8 allowing customers a cost-based option to “opt-out” of receiving the company’s new standard metering device—a radio frequency meter. In addition, a new section was added to Schedule 300 to address the costs associated with the non-radio frequency meter opt-out. Advice No. 17-001 was approved by the Public Utility Commission of Oregon (Commission) at the March 21, 2017 public meeting, as memorialized in Order No. 17-113. The company proposed, and the Commission approved, a monthly meter reading fee to recover the costs associated with manually reading a non-radio frequency meter on a monthly basis.

After approval of the charges, and after significant community engagement in which Pacific Power received feedback from customers regarding the cost-based opt-out charges, Pacific Power filed and the Commission approved Advice No. 19-003 which implemented a pilot to further alleviate the financial impact of the Monthly Meter Readings charge by reading the meter

less frequently. The triannual read program allows PacifiCorp to read customer meters three times per year and amortize the monthly reading charge over 12 monthly bills, resulting in a monthly charge of \$9.00. In addition, the triannual read program requires customers set up an equal payment plan for their account. Customers continue to receive a monthly bill, but billings issued between meter readings are estimated based on historical usage. During the review and approval of Advice No. 19-003, the company again committed to reevaluate opt-out options and charges after completion of AMI deployment.

### **Proposed Changes**

As part of Pacific Power's ongoing evaluation of the costs of a customer decision to opt-out of receiving a non-radio frequency meter, the company proposes to update Schedule 300 to reduce the Monthly Meter Readings charge to \$10.00 per month, eliminate the Triannual Meter Reading charge, and remove the triannual read program language from Rule 8.

### **Updated Meter Reading Costs**

Pacific Power is nearing completion of the installation of AMI deployment and continues to optimize the communication network throughout the state. Meter installations are ongoing in eastern Oregon and are scheduled for completion near the end of this year. Full deployment began in January 2018 and communities began switching over to network reads in September 2018. From September 2018 to July 2019, Pacific Power has obtained slightly more than 100,000 manual meter reads for a cost of \$1,010,227, or \$10.09 per meter read. Currently, 8,099 customers have opted out one or more meters from a radio frequency meter. This opt-out number represents 1.3 percent of the approximately 600,000 meters in the state. Josephine and Jackson Counties have the highest concentration of opt-out customers at 5,129, or 63 percent of all total opt-outs. The company has manually read 67,812 meters in those two counties.

The data reviewed to-date indicates the actual average cost to perform manual meter reads for opt-out customers is approximately \$10.00 per meter read. This represents a \$26.00 decrease to the company's initial estimate of \$36.00 per month. There are two notable factors that are contributing to the decline in the actual average cost of performing manual meter reads. First, the number of opt-out customers is slightly higher than initially estimated by the company. Second, a significant portion of opt-out customers are clustered in geographically discrete areas, creating efficiencies in the deployment of manual meter readers that were not initially assumed by the company. The company will continue to evaluate actual costs associated with performing manual meter reads and other services necessary to facilitate a customer decision to opt-out of a radio frequency meter. In particular, the company is monitoring costs associated with the relatively remote geography of areas not yet switched over to network reads. Once these areas are switched over to network reads and manual meter reads are required for opt-out customers, there could be increases in actual average meter reading costs.

Pacific Power requests the Commission approve the proposed modifications Schedule 300 to reflect a Monthly Meter Readings charge of \$10.00. Please see Attachment A for the company's meter reading costs.

### **Removing Triannual Read Program**

Pacific Power currently has approximately 2,100 opt-out customers participating in the triannual read program. While the triannual read program alleviated the monthly financial costs for opt-out customers, with the proposed reduction of the Monthly Meter Readings charge to \$10.00 per month, Pacific Power proposes to eliminate the triannual read program as all customers opting out of a radio-frequency meter would be charged \$10.00 per month and receive the benefit of a monthly meter read.

Elimination of the triannual read program, along with the associated reduction in the Monthly Meter Readings charge, will create additional benefits, including simplifying opt-out options and creating a level playing field for all opt-out customers. For example, customers with net metering installations will now be able to opt-out of a radio frequency meter at approximately the same cost as customers that are currently enrolled in the triannual read program.<sup>1</sup> Similarly, customers with a demand register on the meter will also benefit from the removal of the triannual read program as they will be able to opt-out for approximately the same cost as customers that are currently enrolled in the triannual read program.<sup>2</sup> Customers that do not wish to be on an equal payment plan—a requirement of participation in the triannual read program—will now be able to experience the same monthly savings of the triannual read program without the requirement to be on an equal payment plan. Finally, reduction of the Monthly Meter Readings charge and elimination of the triannual read program will simplify the customer experience for all opt-out customers by relying on a single, low-cost fee for manual meter reads while ensuring the benefits of monthly meter reads.

Beyond the customer benefits of reducing the Monthly Meter Readings charge and removing the triannual read program, Pacific Power anticipates increased administrative efficiency upon removal of the triannual read program. In accordance with long standing rules and procedures, Pacific Power's billing system, metering routes, and processes are designed, planned, and scheduled based on monthly meter reads and monthly bills. Modifying the billing system to automate the triannual read program for a small subset of customers in one state was not economically feasible or prudent. As a result, the company developed manual processes to accommodate the triannual read program. Allocating meter reading resources for an intermittent meter reading schedule is challenging, and puts strain on each operational district with opt-out customers. By removing the triannual read program, the company can discontinue those manual processes and utilize the efficiencies that have been designed into its meter routes and billing system.

Pacific Power supports the triannual read program as a reasonable way to balance the cost impacts of the customer decision to opt-out of a standard meter, but continues to advocate for monthly meter reads as the best option for customers. With the proposed reduction of the

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<sup>1</sup> Net metering customers are ineligible for participation in the triannual read program as a monthly meter read is critical for customers to accurately optimize generation credits as an offset to actual monthly energy use.

<sup>2</sup> Like net metering customers, customers with demand meters are similarly ineligible to participate in the triannual read program. Non-residential rate schedules measure and bill for the monthly peak load, and in order to calculate the peak load, nonstandard meters must have the demand registers reset each month in order to provide an accurate bill.

Monthly Meter Readings charge, all opt-out customers can have a monthly meter read for approximately the same monthly cost as the triannual read program. Monthly meter reads eliminate the impacts of multiple estimates for the basis of billing customers. For example, the potential for high catch-up bills due to variations in weather significantly increase the more a meter is estimated. Additionally, customers do not receive appropriate price signals in order to adjust their usage when billing and usage information is estimated. Pacific Power intends to notify participants in the triannual meter reading program of the proposed change to monthly meter reads.

Pacific Power requests the Commission approve discontinuing the triannual read program in Rule 8 and eliminate the \$9.00 Triannual Meter Readings charge in Schedule 300.

**Conclusion**

Based on the information provided, Pacific Power proposes to reduce the Monthly Meter Readings charge from \$36.00 to \$10.00 and eliminate the triannual read program and the \$9.00 Triannual Meter Readings charge.

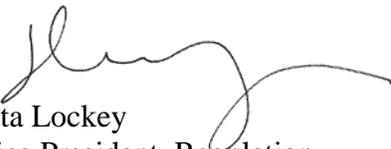
It is respectfully requested that all formal data requests regarding this filing be addressed to:

By email (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com).

By regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
Portland, OR 97232

Informal inquiries may be directed to Melissa Nottingham, Customer Advocacy and Tariff Policy Manager, at (503) 813-5136.

Sincerely,



Etta Lockey  
Vice President, Regulation

Enclosures

## Proposed Tariffs

**CHARGES AS DEFINED BY  
 THE RULES AND REGULATIONS**
**Purpose**

The purpose of this Schedule is to list the charges referred to in the General Rules and Regulations.

**Available**

In all territory served by the Company in Oregon.

**Applicable**

For all Consumers utilizing the services of the Company as defined and described in the General Rules and Regulations.

**Service Charges**

<u>Rule No.</u>	<u>Sheet No.</u>	<u>Description</u>	<u>Charge</u>	
2	R2-1	<b>Demand Pulse Access Charge:</b>	\$1,500.00	
2	R2-4	<b>Portfolio Ballot Processing</b> First ballot processed per year All other ballots processed	Free \$5.00	
6	R6-1	<b>Meter Charges:</b> Meter Repairs/Replacement	Actual Repair/ Replacement Cost	
8	R8-1&2	<b>Meter Test for Accuracy:</b> Once in twelve months Two or more times in twelve months	No Charge \$50.00 each	
8	R8-1	<b>Meter Verification Fee</b>	\$20.00 per unit	
8	R8-2	<b>Interval Meter Charge</b> Small Nonresidential Consumers	Actual Cost	
8	R8-3	<b>Non Standard Frequency Meter Accommodation</b> Installation of Non-Radio Frequency Meter Monthly Meter Readings	\$169 \$10/month	(R) (D)
9	R9-1	<b>Deposit:</b> Normal office hours Residential Established high risk  Nonresidential No established credit or established high risk	1/6 estimated annual billing  1/6 estimated annual billing	

(continued)

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**III. Non-Radio Frequency Metering Accommodation (continued)**

The Company may revoke the meter exchange accommodation of a non-radio frequency meter by reinstalling the Company's standard radio frequency meter for any of the following conditions:

- a. Meter tampering;
- b. Impeding Company access to the meter to obtain monthly meter readings, perform maintenance or to disconnect meter for non-payment of electric service; or
- c. Service has been disconnected for non-payment of electric service twice within a 12-month period.

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# **Attachment A**

	2018				2019							Post-AMI Totals	
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		
<b>VOLUME</b>													
Optic District													
Albany Metering	912	914	817	769	788	768	749	750	734	661	619	8,481	
Astoria Metering										867	708	1,575	
Bend Metering *													
Coos Bay Metering									1,251	1,107	969	3,327	
Enterprise Metering *													
Grants Pass Metering					5,510	5,381	5,177	5,007	4,571	4,616	3,661	33,923	
Hood River Metering											300	300	
Klamath Falls Metering						509	471	473	503	517	489	2,962	
Lincoln City Metering	249	134	117	107	106	102	90	84	81	76	69	1,215	
Medford Metering			5,281	4,181	4,079	3,485	3,740	3,616	3,359	3,388	2,760	33,889	
Pendleton Metering *													
Portland Metering										2,932	2,627	5,559	
Roseburg Metering							1,802	1,729	1,834	1,820	1,716	8,901	
<b>Grand Total</b>	<b>1,161</b>	<b>1,048</b>	<b>6,215</b>	<b>5,057</b>	<b>10,483</b>	<b>10,245</b>	<b>12,029</b>	<b>11,659</b>	<b>12,333</b>	<b>15,984</b>	<b>13,918</b>	<b>100,132</b>	

Post-AMI	
Total Dollars	\$1,010,227
Total Reads	100,132
Cost per Read	\$10.09

	2018				2019							Post-AMI Totals	
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul		
<b>DOLLARS</b>													
Optic District													
Albany Metering	\$ 20,155	\$ 21,938	\$ 11,567	\$ 13,321	\$ 14,910	\$ 12,168	\$ 13,201	\$ 11,458	\$ 13,448	\$ 12,706	\$ 12,826	\$157,698	
Astoria Metering										\$ 15,646	\$ 10,157	\$25,803	
Bend Metering *													
Coos Bay Metering									\$ 17,533	\$ 16,637	\$ 14,578	\$48,748	
Enterprise Metering *													
Grants Pass Metering					\$ 32,046	\$ 31,973	\$ 35,275	\$ 39,657	\$ 29,606	\$ 29,189	\$ 28,033	\$225,780	
Hood River Metering											\$ 6,614	\$6,614	
Klamath Falls Metering						\$ 13,597	\$ 10,941	\$ 11,530	\$ 13,686	\$ 11,066	\$ 10,063	\$70,883	
Lincoln City Metering	\$ 3,653	\$ 3,171	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$6,823	
Medford Metering			\$ 44,566	\$ 38,566	\$ 29,323	\$ 31,846	\$ 26,519	\$ 29,748	\$ 25,977	\$ 25,499	\$ 21,389	\$273,433	
Pendleton Metering *													
Portland Metering										\$ 38,013	\$ 26,576	\$64,589	
Roseburg Metering							\$ 42,079	\$ 26,016	\$ 20,109	\$ 21,929	\$ 19,724	\$129,857	
<b>Grand Total</b>	<b>\$ 23,807</b>	<b>\$ 25,109</b>	<b>\$ 56,133</b>	<b>\$ 51,887</b>	<b>\$ 76,279</b>	<b>\$ 89,583</b>	<b>\$ 128,016</b>	<b>\$ 118,409</b>	<b>\$ 120,359</b>	<b>\$ 170,686</b>	<b>\$ 149,960</b>	<b>\$1,010,227</b>	

\* Data is not available because deployment of meters had not been completed so the communication network had not yet been fully optimized.