



# Oregon

Theodore R. Kulongoski, Governor

## Public Utility Commission

550 Capitol Street NE, Suite 215

Mailing Address: PO Box 2148

Salem, OR 97308-2148

Consumer Services

1-800-522-2404

Local: 503-378-6600

Administrative Services

503-373-7394

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RE: AR 529 – In the Matter of Amendments to OARs 860-021-0305, 860-021-0405, 860-021-0505, 860-034-0180 and 860-034-0260.

I offer the following comments in support of the proposed rule amendments in AR 529:

### Account Establishment

There is currently a two-step process for a consumer to establish an account with a regulated utility. First, they must apply for service and be accepted. *See generally* OAR 860-021-0009 (energy utilities and large telecommunications companies); and OAR 860-034-0030 (small telecommunications utilities). To be accepted for service, the applicant must provide certain forms of positive identification (ID). *See* OAR 860-021-0009(3); 860-034-0030(4). Secondly, the customer must establish credit. *See* OAR 860-021-0009(2); 860-034-0030(3). If the customer is unable to establish satisfactory credit, they can be required to post a deposit. *See* OAR 860-021-0200(2); 860-034-0140(2).

### History

In September 2003, the Commission entered its Order No. 03-550 (Docket AR 452) which, among other things, made changes to the rules for credit establishment.

Prior to this time, an applicant for service could establish credit by agreeing to pay a deposit while never having to provide positive ID. Order 03-550 changed this, allowing the utilities to require positive ID before accepting the applicant as a customer, but eliminating the provision of ID as a means to establish credit. The order spelled out several specific steps that the customer can take to establish credit. These steps are memorialized in OAR 860-21-0200(1); 860-034-0140(1).

Thus, utilities were allowed to require positive ID before accepting an applicant as a customer, but ID could no longer be used as the basis for establishing credit. If the applicant or customer is unable to establish satisfactory credit, the utility may require a new or additional deposit.

### Discussion

The OARs that were impacted by Order No. 03-550 required extensive change. Unfortunately, during the AR 452 rulemaking, the correlation between the language adopted in 860-021-0200 (Establishing Credit) and the language found in 860-021-0305(1)(b) (Grounds for Disconnection) was overlooked. Subsection (b) should have been eliminated because section (1) refers specifically to the failure to establish credit. Since AR 452 eliminated the provision of providing ID as a means of establishing credit, false ID could not invalidate credit and thus could not be grounds for disconnection under this rule.

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**Rule Changes**

The proposed rule changes to the Grounds for Disconnection (OAR 860-021-0305 and 860-034-0180) eliminates the term "failure to establish credit". This change clearly establishes that the provision of false ID to establish service (not credit) is grounds for disconnection under this rule.

A minor change to OAR 860-021-0505 (notice requirements for telco's) would clarify that the 5-day disconnect notice must be 5 business days to be consistent with OAR 860-021-0405 (notice requirements for energy).

There are additional changes to the notice requirement rules which are cosmetic only; they have simply been reorganized into a more logical format, but the meaning and intent has not changed.

Respectfully submitted:



Phil Boyle

Program Manager

Consumer Services Section