

November 4, 2008

Honorable Lisa D. Hardie, Administrative Law Judge
Oregon Public Utility Commission
550 Capitol Street NE, Suite
P.O. Box 2148
Salem, Oregon 97308-2148

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

Dear Judge Hardie:

The following comments in the above referenced matter are submitted on behalf of the Community Action Partnership of Oregon and the Citizen's Utility Board of Oregon.

Both CAPO and CUB are supportive of the proposition that applicants for utility service provide positive identification to the utility in their application for service and for the establishment of credit. By extension, utilities should have the right to disconnect service if false ID identification was used to establish service or validate identity so long as that process is fair, equitable and enforced by the utility upon all customers.

However, the implications of these rule changes are potentially striking and lead us to the following recommendations.

Recommendation One: *The proposed amendment should include an explicit requirement that all customers provide positive identification and establishment of service and credit worthiness and that any rules requiring such identifications be implemented fairly and equitably to all customers.*

Comment: While positive ID **may** have been provided by customers (OAR 860-021-0009(3)) years, sometimes decades earlier in the establishment of service and credit, life events many times cause people and circumstances to change. While the responsibility for reporting such change in circumstances lies with the customer, proper reporting is not made in all circumstances. An unknown number of utility accounts are currently in the names of individuals who have passed away, changed their names, or are in the names of individuals who have moved away. Frankly, we do not believe this is of great concern to the utilities so long as the utility bills are being paid. If it is indeed important to utilities to know who their customers are then they should be prepared to aggressively update their current customer base through a general public awareness effort. To not do so, we believe, places an inappropriate focus on low-income and payment-troubled customers to answer questions and provide information that is not required of all customers.

Recommendation Two: *Utilities should be required to better account for direct and indirect costs associated with implementing a fair and equitable identification verification process.*

It is striking that in the “*Statement of Need and Fiscal Impact*” filed in conjunction with this rulemaking that no additional costs for recordkeeping, administration, professional service, equipment & supplies, and other cost categories are anticipated to be borne by utilities, state agencies or local governments.

We believe there will be costs associated with this rulemaking that will fall inappropriately on others. In order for utilities to meet the criteria we state above (...so long as that process is fair, equitable and enforced by the utility upon all customers.) there will be costs incurred by the utilities that are currently unaccounted for.

Before the rules are implemented, the utilities should be requested to do another cost review in light of our criteria and the need for a potential public awareness effort.

Recommendation Three: *Utilities should be restrained from an undue reliance on outside entities, such as social service agencies, as ‘quasi-agents’ in the search for existing customers who are not properly identified.*

We believe that utilities will attempt to leverage the administrative capability of social service agencies to do the “heavy lifting” in investigating the identification status of their customers. Social service agencies will be looked to as the utilities’ enforcement arm on their low-income and payment troubled customer base. An expectation will be placed upon us to positively verify the identification of customers who have come to us seeking assistance in paying, managing, and/or lowering their energy burden through the variety of programs we administer.

Based on conversations outside of this rulemaking, utilities are making clear the need for social service agencies and similar entities to comply with new policies to protect low-income customers' privacy. However, social service agencies should not be compelled to provide the main avenue of recognition for customers who are not properly identified in the utilities' files. Rules established in this proceeding should explicitly constrain utilities from having the expectation that information from social service agencies will be used to positively verify the identification of customers who have sought assistance in paying, managing, and/or lowering their energy burden through a variety of assistance programs.

Recommendation Four: *While it can be permissible to send notice of pending disconnection via electronic means, it should not be the sole means by which utilities notify consumers of potential disconnection.*

In its comments, Qwest proposes to allow utilities the option of providing notice of pending disconnection via e-mail to those customers that have chosen electronic communications. We have concerns about allowing utilities to provide this notification solely by electronic means. With the advent of “phishing” scams, whereby individuals get notices from banks, utilities and other official entities that appear very authentic but are actually ruses to get confidential consumer information to facilitate identify theft or similar actions, an e-mail notice can be too easily dismissed as a potential scam. While the utility can certainly use electronic means to notify customers of issues related to their service, disconnection is too important to have that be the only notice. The rules should maintain a requirement for notice to be delivered by postal mail.

Therefore, CAPO and CUB recommend that the Commission require utilities to explicitly address and resolve these issues prior to implementing these new rules.

CAPO and CUB appreciate this opportunity to file written comments on the draft amendment rules. If you have any questions concerning this filing, please contact Jim Abrahamson of CAPO (503-485-8962) or Bob Jenks of CUB (503-227-1984).

Sincerely,

Jim Abrahamson
Community Action Partnership of Oregon

Bob Jenks,
Citizens' Utility Board of Oregon

cc: AR 529 Service List