



LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

June 23, 2017

VIA ELECTRONIC FILING

Attention: Filing Center
Public Utility Commission of Oregon
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97308-1088

Re: Docket No. UM 1612(1)
Idaho Power Company's Application for Extended Waiver of OAR 860-021-0326(1)

Dear Filing Center:

Enclosed for filing in Docket No. UM 1612(1) is an electronic copy of Idaho Power Company's Application for Extended Waiver of OAR 860-021-0326(1).

If you have any questions about this filing, please do not hesitate to contact me at (208) 388-5825.

Very truly yours,

A handwritten signature in black ink that reads "Lisa D. Nordstrom".

Lisa D. Nordstrom
OSB No. 973528

LDN:csb
Attachment

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1612(1)

In the Matter of
IDAHO POWER COMPANY,
Application for Waiver of OAR 860-021-0326(1).

**IDAHO POWER COMPANY'S
APPLICATION FOR EXTENDED
WAIVER OF OAR 860-021-0326(1)**

I. INTRODUCTION

Pursuant to OAR 860-001-0400(2) and OAR 860-021-0005, Idaho Power Company (“Idaho Power” or “Company”) respectfully requests that the Public Utility Commission of Oregon (“Commission”) extend the waiver previously approved in Order No. 14-234 of certain requirements set forth in OAR 860-021-0326(1)’s requirement for duplicate disconnect notice to tenants when the billing address differs from the service address. OAR 860-021-0005 allows the Commission to “waive any of the Division 021 rules for good cause shown.” The existing waiver of this rule approved in Order No. 14-234 remains in effect until June 24, 2017, or until OAR 860-021-0326(1) is amended, whichever comes first. The rule has not been amended to date.

In this case, requiring compliance with the terms of OAR 860-021-0326(1) as interpreted by the Oregon Department of Justice (“DOJ”) would be unduly burdensome, both administratively and financially, and would provide little additional protection for tenants. Therefore, Idaho Power is asking that the Commission require the Company to provide duplicate five-day disconnect notices to both the billing and service address only when the Company has reason to believe that the customer is not living at the service address because there is a landlord-tenant relationship between the customer and the occupant of the service address premises.

1 Communications regarding this Application should be addressed to:

2 Lisa D. Nordstrom
3 Idaho Power Company
4 1221 West Idaho Street (83702)
5 P.O. Box 70
6 Boise, Idaho 83707
7 lnordstrom@idahopower.com

8 Connie Aschenbrenner
9 Idaho Power Company
10 1221 West Idaho Street (83702)
11 P.O. Box 70
12 Boise, Idaho 83707
13 caschenbrenner@idahopower.com

14 Regulatory Dockets
15 Idaho Power Company
16 1221 West Idaho Street (83702)
17 P.O. Box 70
18 Boise, Idaho 83707
19 dockets@idahopower.com

20 **II. BACKGROUND**

21 Beginning in late 2011 and continuing into early 2012, Commission Staff (“Staff”)
22 held a series of workshops to address low income bill assistance issues. During those
23 workshops, participants also raised concerns related to the adequacy of disconnect
24 notices provided to tenants pursuant to OAR 860-021-0326(1). During the workshops, it
25 became apparent that parties were interpreting the requirements of OAR 860-021-0326(1)
26 differently. OAR 860-021-0326(1) provides:

When an energy utility’s records show that a residential billing
address is different from the service address, the utility must
provide a duplicate of the five-day disconnect notice required
under OAR 860-021-0405(6) for gas and electric service to the
occupants of the premises in the manner described in 860-021-
0405(6) unless the utility has reason to believe that the service
address is occupied by the customer. This requirement is
satisfied by serving a notice addressed to “Tenants” in the same
manner provided for in 860-021-0405. The notice to occupants
need not include the dollar amount owing.

27 The specific point of contention was whether a utility was required to provide the duplicate
28 five-day disconnect notice if the utility had no reason to believe that the customer was not
29 living at the service address. Idaho Power had understood the rule to require Idaho Power
30 to send duplicate notices only if the Company had reason to believe that the reason the

1 billing and service addresses were different was because there was a landlord-tenant
2 relationship and the tenant was not the customer of record.

3 After the workshops concluded, Staff sought additional guidance from the DOJ
4 regarding its interpretation of the rule's requirements. In a March 5, 2012, interoffice
5 correspondence that summarized the low income assistance workshops,¹ Staff noted that
6 the DOJ concluded the rule places the burden on the utility to know whether the customer
7 is living at the service address; absent such information, the utility is required to send
8 duplicate five-day notices to both the billing address and the service address.

9 On April 3, 2012, Staff asked Idaho Power via e-mail to provide information
10 demonstrating that Idaho Power was following the requirements of OAR 860-021-0326(1),
11 as clarified by the DOJ's opinion. On April 30, 2012, Idaho Power responded to Staff's
12 request with a letter stating that it is not Idaho Power's current practice to send duplicate
13 five-day notices to both the billing and service addresses because such accounts are
14 generally customer occupied and not indicative of a landlord-tenant relationship in Idaho
15 Power's Oregon service area, which is predominantly rural. The letter then described
16 Idaho Power's current practices and provided the Company's rationale for not sending
17 duplicate notices.

18 In response to Idaho Power's letter, Staff directed Idaho Power to apply for a waiver
19 of OAR 860-021-0326(1) as provided for in OAR 860-021-005. The Company filed its
20 initial request for waiver in Docket No. UM 1612 on June 28, 2012. On June 24, 2014, the
21 Commission issued Order No. 14-234 approving the requested waiver, which would
22 remain in effect until June 24, 2017, or until OAR 860-021-0326(1) is amended, whichever
23 comes first. The rule has not been amended to date. For the reasons discussed below,

24

25

26 ¹ This correspondence was provided to the Commission and distributed by Staff to the parties
that participated in the workshops.

1 Idaho Power requests the Commission extend the existing waiver until proceedings to
2 amend the rule have concluded.

3 **III. DISCUSSION**

4 **A. For Idaho Power, it is Not Necessarily Reasonable to Assume that Different**
5 **Service and Billing Addresses Mean There is a Tenant Living at the Service**
6 **Address.**

7 OAR 860-021-0326 is intended to provide notice to tenants of an impending
8 disconnection when the tenants' rent includes a charge for utilities that the landlord has
9 not paid.² When the Commission adopted OAR 860-021-0326, it did so specifically
10 because the Commission observed that a "difference between a billing address and a
11 service address indicates that someone other than the occupant is responsible for paying
12 the utility bill."³ However, for Idaho Power, this assumption is not necessarily correct.

13 Idaho Power's Oregon service area is primarily rural in nature and it is not
14 uncommon for a customer to have a different billing and service address. In fact, out of
15 13,804 residential customers in Idaho Power's Oregon service area, 4,338, or 31 percent,
16 have a billing address that differs from the service address. And for the majority of Idaho
17 Power's Oregon customers that have a different billing and service address, the billing
18 address is a post office box.⁴ The use of a post office box as a billing address is not
19 necessarily indicative that someone other than the occupant is responsible for paying the
20 utility bill—it is indicative that the customer does not receive mail at his or her home.

21 Moreover, one reason Idaho Power's Oregon customers have different billing and
22 service addresses is because there are some areas in Idaho Power's Oregon service area
23 where the United States Postal Service does not provide delivery service. Indeed, in the

24 ² Re Amendment of Administrative Rules Relating to Residential Utility Service (OAR 860,
25 Division 21), Docket AR 193, Order No. 90-1105 at 39 (July 20, 1990).

26 ³ Order No. 90-1105 at 40.

⁴ Of the 4,338 customers with different billing and service addresses, 2,216, or 51 percent,
use a post office box as the billing address.

1 towns of Durkee, Bridgeport, Hereford, and Arock there is very limited local mail delivery
2 service.⁵ Thus, for these customers, the use of a different billing address is a result of the
3 lack of postal delivery service not the fact that there is a landlord-tenant relationship.

4 Given the overall nature of Idaho Power's Oregon service area and the Company's
5 experience working with its customers, the Company believes that the relatively high
6 number of customers with different service and billing addresses is not indicative of a
7 landlord-tenant relationship; rather, it is due to necessity or preference on the part of
8 customers. Therefore, the Commission's assumption underlying the duplicate notice
9 requirement is not necessarily applicable to Idaho Power.

10 **B. The Provision of Duplicate Five-Day Notices to the Billing and Service Address**
11 **Would be Unduly Burdensome.**

12 When the service and billing address differ, OAR 860-021-0326(1) requires Idaho
13 Power to "provide a duplicate of the five-day disconnect notice . . . to the occupants of the
14 premises" Idaho Power understands that this requires Idaho Power to mail a
15 duplicate five-day notice to the service address.⁶ However, given that a fair portion of its
16 Oregon customers with different addresses do not have mail delivery to the service
17 location, mailing duplicate notice is wasteful from a cost perspective and creates a
18 negative environmental cost because the notices will be returned as undeliverable.

19 ⁵ The Company has 239 customers living in these towns.

20 ⁶ OAR 860-021-0326(1) states that the duplicate notice requirement "is satisfied by serving a
21 notice addressed to 'Tenants' in the same manner provided for in 860-021-0405." The rules are not
22 entirely clear whether mailing a duplicate notice to the service address satisfies the requirements of
23 OAR 860-021-0405. OAR 860-021-0405(6) describes the requirement that a utility provide written
24 notice at least five business days before disconnecting residential service. However, the actual
25 service requirements for a notice under OAR 860-021-0405(6) are set forth in OAR 860-021-
26 0405(8). Under OAR 860-021-0405(8) the utility must serve the five-day notice either in person or
by mailing the notice to the customer's last known address. It is unclear whether simply mailing the
duplicate notice to the service address satisfies the requirements of OAR 860-021-0405(8) because
that address is not the customer's last known address—the *customer's* last known address is the
billing address. Therefore, compliance with OAR 860-021-0326(1) may require Idaho Power to
personally serve the five-day notice at the premises where service is provided. If this is the case,
the costs to do so will be prohibitive.

1 If the Company were required to personally deliver five-day notices to these
2 customers who lack postal delivery service—who are often located hours away from the
3 nearest Idaho Power office—the Company’s costs and the environmental impact to
4 provide duplicate notices would increase significantly. This may also be the case
5 whenever the billing address is a post office box because the customer may not receive
6 at-home mail delivery even if it is otherwise available.

7 Since January 2014, Idaho Power has sent out an average of 419 five-day notices
8 each month for an annual number of over 5,020 in Oregon. In 2016 alone, Idaho Power
9 sent 5,039, five-day notices to Oregon customers, or 420 notices per month. Assuming
10 that 31 percent of these notices were sent to customers with different billing and service
11 addresses, every month Idaho Power sends approximately 130 five-day notices to
12 customers with different billing and service addresses. This means that if Idaho Power
13 were subject to the requirements of OAR 860-021-0326(1), the Company would be
14 required to provide nearly 1,560 duplicate notices annually.

15 **C. Idaho Power Has Other Measures in Place to Protect Tenants.**

16 While the Company does not currently send duplicate notices, it has numerous other
17 processes in place to address disconnect issues related to landlord-tenant relationships.
18 The Company believes these additional processes, discussed below, mitigate the risk that
19 a tenant is unreasonably disconnected due to a landlord’s nonpayment. In fact, it should
20 be noted that only about 18 percent of those receiving the five-day notices are actually
21 disconnected for nonpayment.

22 Idaho Power currently offers landlords a Continuous Service Agreement (CSA)
23 program, which makes it easier for landlords to have the service at the property put into
24 the tenant’s name while occupied. The service then automatically reverts to the landlord’s
25 name when the tenant requests to discontinue service. In addition, landlords are notified if
26 service is scheduled for an involuntary disconnection to allow the landlord the opportunity

1 to transfer service into his or her name to ensure continued service. To protect the
2 tenant's privacy, landlords are not provided with the reason for the scheduled service
3 disconnect. This program has encouraged the landlords in Idaho Power's service area to
4 not leave service in their name while the property is being occupied by a tenant,
5 significantly reducing the potential for a landlord to be paying for a tenant's electricity.

6 In the case where the Company has knowledge of a master-metered account for a
7 multi-family dwelling or mobile home park, Idaho Power follows the provisions of OAR
8 860-021-0326(2) and posts information regarding the impending disconnection in a
9 conspicuous place at the property and provides information on alternatives available to the
10 occupants, including the option to have service placed in the tenant's name. Because of
11 these practices, there is very little chance for a tenant to have service disconnected if a
12 landlord becomes delinquent.

13 In addition, Idaho Power's current reconnect procedures mitigate the risk of a
14 tenant's electricity being turned off for more than a few hours should Idaho Power not be
15 aware the delinquent service is in the landlord's name. Prior to disconnecting service,
16 Idaho Power's personnel knock on the door to inform the occupant of the impending
17 service disconnection. If the occupant is present, the occupant can request service be put
18 into his or her name. If the occupant is not present and service is disconnected, the
19 individual can contact Idaho Power's customer service center 24 hours a day, every day of
20 the year to request service be reconnected in his or her name. It is Idaho Power's practice
21 to reconnect service on the same day the request is made, minimizing the inconvenience
22 to the tenant.

23 Idaho Power has reviewed the complaints from the Company's Oregon residential
24 customers since 2008 and has not identified any complaints from a tenant whose power
25 was disconnected because the landlord was delinquent. This lack of pertinent complaints
26

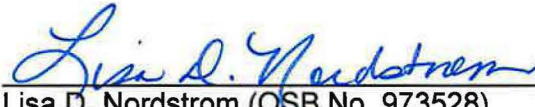
1 supports Idaho Power's belief that this landlord-tenant situation is not an issue within the
2 Company's Oregon service area.

3 **IV. CONCLUSION**

4 Until this matter can be more fully resolved, Idaho Power respectfully requests that
5 the Commission extend its waiver of the requirement in OAR 860-021-0326(1) that Idaho
6 Power provide duplicate five-day notices whenever a customer's billing and service
7 address differ.

8 Respectfully submitted this 23rd day of June 2017.

9 **IDAHO POWER COMPANY**

10 

11 Lisa D. Nordstrom (OSB No. 973528)

12 Lead Counsel

13 Idaho Power Company

14 1221 West Idaho Street (83702)

15 P.O. Box 70

16 Boise, Idaho 83707

17 Telephone: (208) 388-5825

18 lnordstrom@idahopower.com