

Secretary of State
NOTICE OF PROPOSED RULEMAKING HEARING*
A Statement of Need and Fiscal Impact accompanies this form

AR 601
FILED
2-14-17 9:25 AM
ARCHIVES DIVISION
SECRETARY OF STATE

Public Utility Commission of Oregon

Agency and Division

860

Administrative Rules Chapter Number

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Rules Coordinator

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RULE CAPTION

In the Matter of Rulemaking regarding Severe Weather Moratorium on Service Disconnection.

Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

Hearing Date	Time	Location	Hearings Officer
4-5-17	1:30 p.m.	Public Utility Commission, Hearing Room, 201 High Street SE, Salem,	ALJ Power

RULEMAKING ACTION

Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

ADOPT:

860-021-0407

AMEND:

REPEAL:

RENUMBER: Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

AMEND AND RENUMBER: Secure approval of new rule numbers with the Administrative Rules Unit prior to filing.

Statutory Authority:

ORS 756.060

Other Authority:

Statutes Implemented:

ORS 756.040

RULE SUMMARY

The proposed rule will establish a temperature-based moratorium on regulated gas and electric utility service disconnections for nonpayment of bills.

The Commission encourages participants to file written comments as early as practicable in the proceedings so that other participants have the opportunity to consider and respond to the comments before the deadline. Please reference Docket No. AR 601 on comments and file them by e-mail to the Commission's Filing Center at PUC.FilingCenter@state.or.us.

Interested persons may review all filings online at <http://apps.puc.state.or.us/edockets/docket.asp?DocketID=20262>. For guidelines on filing and participation, please see OAR 860-001-0140 through 860-001-0160 and 860-001-0200 through 860-001-0250 found online at http://arcweb.sos.state.or.us/pages/rules/oars_800/oar_860/860_001.html.

Participants wishing to monitor the hearing by telephone must contact Diane Davis at diane.davis@state.or.us or (503) 378-4372 by close of business April 4, 2017, to request a dial-in number. The Commission strongly encourages those planning to present oral comment at the hearing to attend in person.

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

04-14-2017 5:00 p.m.	Diane Davis	diane.davis@state.or.us
Last Day (<i>m/d/yyyy</i>) and Time for public comment	Rules Coordinator Name	Email Address

*The Oregon Bulletin is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation.

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Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of:

Rulemaking regarding Severe Weather Moratorium on Service Disconnection

Statutory Authority:

ORS 756.060

Other Authority:

Statutes Implemented:

ORS 756.040

Need for the Rule(s):

The Public Utility Commission supervises and regulates investor-owned energy utilities in Oregon, acts to protect utility customers and the general public from unjust and unreasonable exactions and practices, and obtains for customers adequate service at fair and reasonable rates. See ORS 756.040. Currently PUC regulated energy utilities may and do implement, in various forms on a voluntary basis, a severe weather moratorium on disconnection for nonpayment. The proposed rule will standardize the manner and means by which regulated energy utilities refrain from disconnecting residential service for nonpayment during periods of extreme heat or cold.

Documents Relied Upon, and where they are available:

Staff's First Report on Low Income Issues to the Public Utility Commission of Oregon, available online at: <http://apps.puc.state.or.us/edockets/docket.asp?DocketID=20262>

Staff's Second Low Income Report to the Public Utility Commission of Oregon, available online at: <http://apps.puc.state.or.us/edockets/docket.asp?DocketID=20262>

Informal comments filed with the Public Utility Commission of Oregon in Docket AR 601, accessible at: <http://apps.puc.state.or.us/edockets/docket.asp?DocketID=20262>

Fiscal and Economic Impact:

The fiscal and economic impact of the proposed rule will depend upon the severity of the weather. Members of the public whose PUC regulated utility service would otherwise be disconnected for nonpayment in severe weather may be impacted in a number of ways. Requiring a utility to keep service connected may result in a larger utility bill balance for the customer. On the other hand, preventing disconnection during severe weather may shield the customer from other expenses associated with dealing with the loss of a utility service, such as a reconnection fee, the procurement of an alternative heat source, an alternative housing location, or medical expenses for treatment of any health impacts associated with exposure to extreme temperatures. Any resulting increase in the outstanding balance of the utility customer may affect the utility's ability to collect the full balance, and as a result, the utility may incur an increase in associated collection expense. The Commission expects any such increase to be minimal given the anticipated short duration of any moratorium.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

There is no known cost-of-compliance impact on any state or local government agencies. PUC-regulated energy utilities will incur some administrative, recordkeeping, training, and labor costs to implement and document severe weather moratoriums in accordance with the proposed rule. The PUC does not anticipate that the costs of compliance for these energy utilities to be significant because the energy utilities already administer some type of severe weather moratorium on a voluntary basis.

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small business and types of businesses and industries with small businesses subject to the rule:

There are no small businesses subject to this proposed rule. This rule will apply to PUC-regulated electric and gas utilities.

b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:

Regulated energy utilities subject to this proposed rule will incur some administrative, recordkeeping, and training costs to develop, implement, and document a severe weather moratorium consistent with the rule and to notify PUC staff of the utility's preferred weather reporting stations, and about any subsequent changes to the preferred weather reporting station.

c. Equipment, supplies, labor and increased administration required for compliance:

Energy utilities subject to this proposed rule will likely allocate some labor and administrative resources to develop, implement, and document a severe weather moratorium consistent with the rule. The PUC does not anticipate the need for the increased labor and administrative resources to be significant given that the affected utilities already administer some type of severe weather moratorium on a voluntary basis.

How were small businesses involved in the development of this rule?

Small businesses were not specifically involved in the development of this rule. PUC Staff conducted a workshop and solicited informal comments from a broad group of stakeholders, including the energy utilities that would be subject to the rule, the Community Action Partnership of Oregon (CAPO), and the Oregon Citizens' Utility Board (CUB).

Administrative Rule Advisory Committee consulted?: No

If not, why?:

PUC Staff conducted a workshop and solicited informal comments from a broad group of stakeholders, including the energy utilities that would be subject to the rule, the Community Action Partnership of Oregon (CAPO) and the Oregon Citizens' Utility Board (CUB).

04-14-2017 5:00 p.m.	Diane Davis	diane.davis@state.or.us
Last Day (m/d/yyyy) and Time for public comment	Printed Name	Email Address

860-021-0407**Severe Weather Moratorium on Involuntary Disconnection of Residential Electric or Gas Utility Service**

(1) Except as set forth in section (8) of this rule, an energy utility must put into effect a moratorium on the disconnection of residential service for nonpayment on any day a high temperature of less than 32 degrees is forecast by the applicable weather reporting service.

(2) An electric utility must put into effect a moratorium on the disconnection of residential service for nonpayment on any day a local Heat Advisory is issued by the applicable weather reporting service.

(3) Any moratorium activated as a result of section (1) or section (2) of this rule must remain in effect at least through the start of the next business day.

(4) An energy utility must base the need for a moratorium on data available from the National Weather Service or another weather reporting service that may be designated by the utility.

(5) An energy utility need only apply a moratorium to the geographic area that meets the conditions in section (1) and section (2) of this rule.

(6) The energy utility must obtain the required forecast data no later than 8:00 a.m. each business day.

(7) Each energy utility must notify the Commission's Consumer Services Section which weather reporting service it will utilize in each geographic area served by the utility in complying with the requirements of this rule; and the energy utility must notify the Commission's Consumer Services Section upon choosing a different weather reporting service.

(8) The temperature threshold specified in section (1) of this rule is 25 degrees if an energy utility offers a winter protection program under which a household with an unemancipated minor under the age of 18, an individual age 65 or older, or an infirm person may participate and be protected from service disconnection from December through February. For purposes of this section, "infirm person" refers to an individual having a condition of weakness or illness that affects the individual's ability to maintain a state of health when exposed to extreme temperatures.

Stat. Auth: ORS 756.060

Stats. Implemented: ORS 756.040

Hist.: NEW