



e-FILING REPORT COVER SHEET

COMPANY NAME:

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION?  No  Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type:  RE (Electric)  RG (Gas)  RW (Water)  RT (Telecommunications)  
 RO (Other, for example, industry safety information)

Did you previously file a similar report?  No  Yes, report docket number:

Report is required by:  OAR  
 Statute  
 Order Order No 16-122

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other  
(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case?  No  Yes, docket number: UM 1759

List Key Words for this report. We use these to improve search results.

Avista Fee-Free Payment Program Q1 2017 Report

Send the completed Cover Sheet and the Report in an email addressed to [PUC.FilingCenter@state.or.us](mailto:PUC.FilingCenter@state.or.us)

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.



**Avista Corp.**

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April 27, 2017

Public Utility Commission of Oregon  
Filing Center  
201 High St SE Suite 100  
PO Box 1088  
Salem, OR 97308

Attention: Filing Center

Re: Docket No. UM 1759 Avista Utilities Q1 2017 Fee-Free Payment Program Report

On March 23, 2016 the Commission issued Order No. 16-122 in Docket No. UM 1759 approving Avista Corporation's, dba Avista Utilities (Avista or Company), application for an order authorizing accounting and ratemaking treatment of its residential fee-free payment program. In its application the Company sought to defer the costs associated with offering the fee-free payment for up to 12 months from the time the program went into effect. The fee-free payment program was successfully launched on February 19, 2017.

In its application the Company agreed to provide updates to the Commission every three months about the program's progress. For purposes of reporting, the Company will be providing updates to the Oregon Commission every three months that coincide with the quarters of the calendar year.

Avista's residential fee-free payment program encompasses previous methods of payments that were assessed a fee or not available. The program includes the following payment methods and channels:

- Credit and debit card payments made through a Customer Service Representative (CSR), through the Company’s Integrated Voice Recognition (IVR) system, through its website as a one-time guest payment, through its website as an authenticated user, and for Automatic Payment Service (APS) payments.
- Automated Clearing House (ACH) payments made through a CSR, through the Company’s IVR system, and through its website as a one-time guest payment.

Prior to the launch of the program, customers could pay free of charge by ACH through the Company’s website as an authenticated user and for APS payments. Also, prior to the launch of the program APS payments were limited to only ACH payment methods.

The following table represents the residential payment information for the Company’s Oregon customers by month:

**Table No. 1**

<b>Payments</b>	<b>January</b>	<b>February</b>	<b>March</b>
Total Payments	76,776	71,380	79,832
Fiserv Payments	-	9,649	35,731
Fee-Free Fiserv	-	2,370	7,196
Kubra Fee-Free Equivalent*	4,991	2,909	-
Total Fee-Free	4,991	5,279	7,196
Fee-Free Payments as % of Total	6.5%	7.4%	9.0%

\*Kubra Fee-Free Equivalent – these payments represent the Kubra payments received from February 1<sup>st</sup> – 18<sup>th</sup> that would have come through the fee-free payment program. Kubra did not process APS payments, which Fiserv now does, including the ability for customers to sign up for APS by credit or debit card.

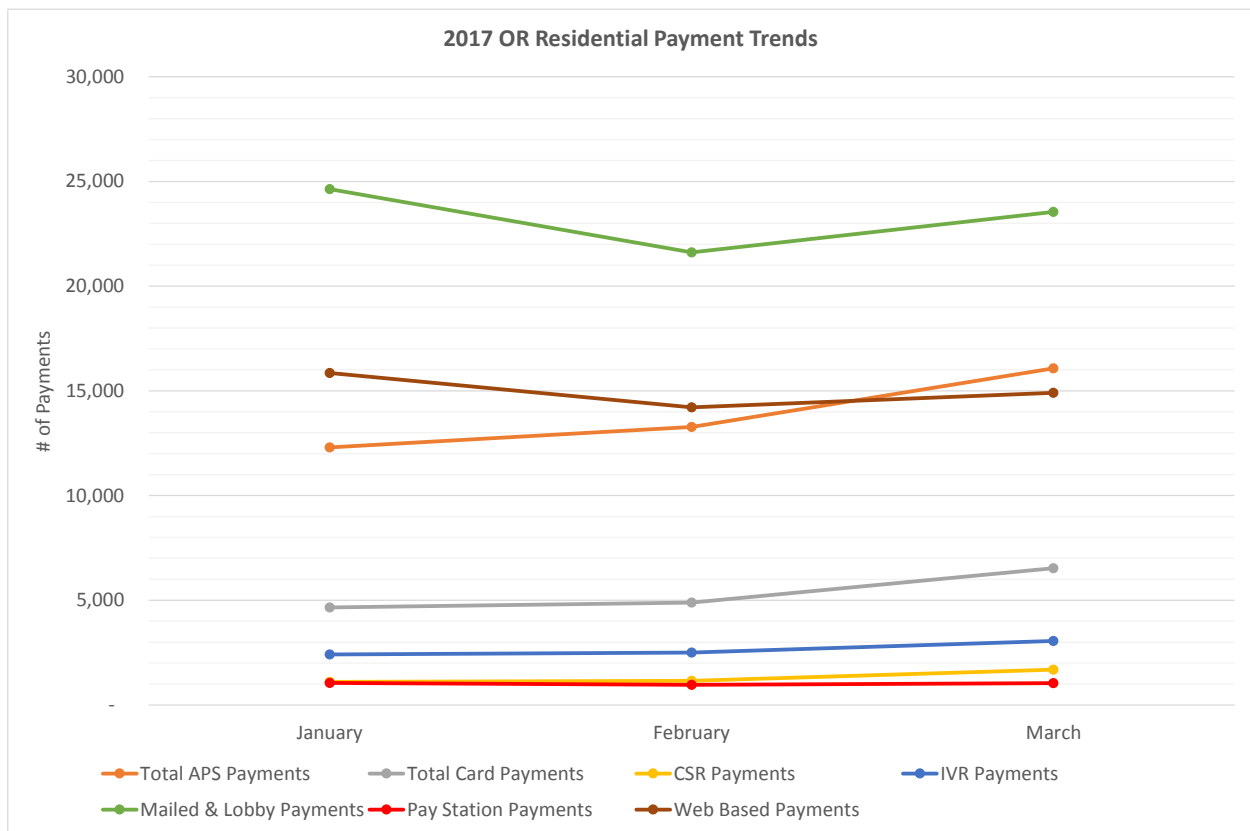
Table No. 2 below includes additional detail on certain payment channels. This information is highlighted to monitor trends in customers’ payment behavior.

**Table No. 2**

<b>Payment Method</b>	<b>January</b>	<b>February</b>	<b>March</b>
APS by ACH	12,301	13,270	15,925
APS by Debit or Credit Card	-	9	146
Total APS Payments	12,301	13,279	16,071
Total Card Payments	4,655	4,888	6,528
CSR Payments	1,105	1,153	1,684
IVR Payments	2,408	2,500	3,055
Mailed & Lobby Payments	24,632	21,616	23,547
Pay Station Payments	1,050	963	1,041
Web Based Payments	15,852	14,215	14,909

Chart No. 1 below displays the payment trends from Table No. 2.

**Chart No. 1**



For historical comparison purposes Table No. 3 displays residential payment data from 2015 and 2016. The column labeled “Payments Subject to Convenience Fee” represents the

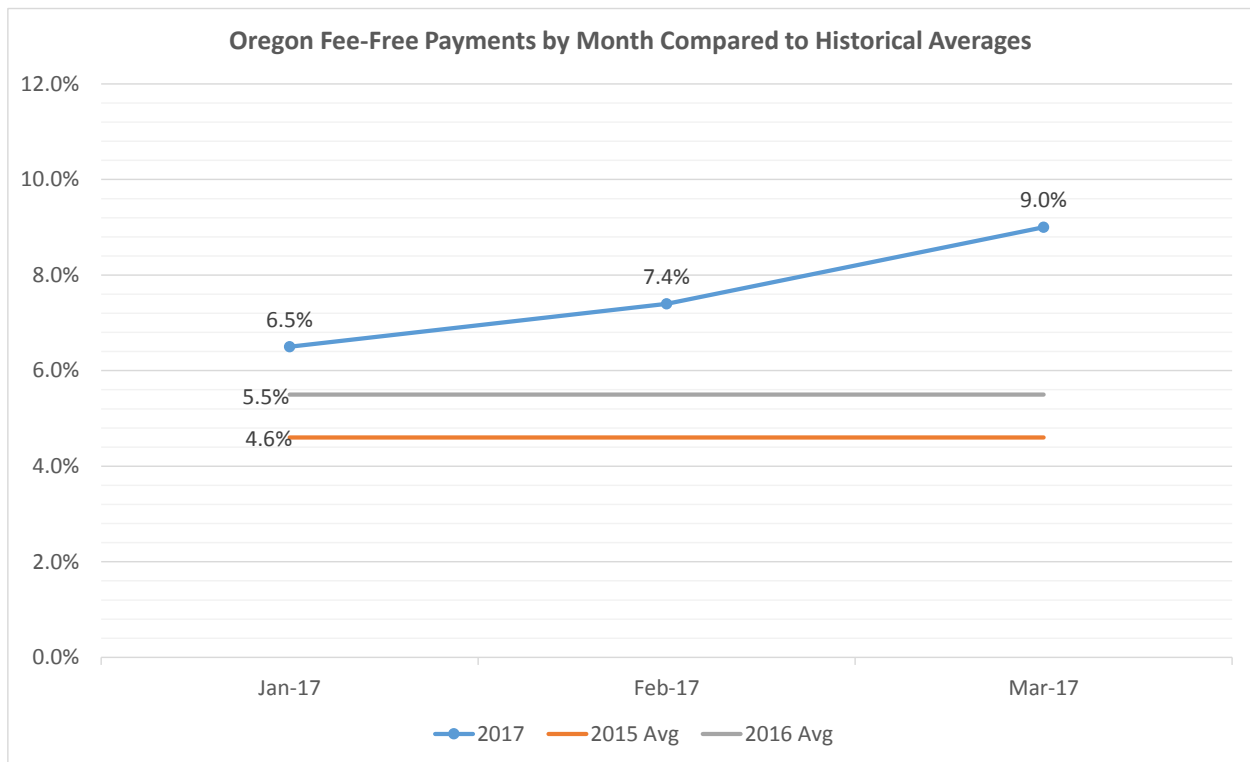
payments that were previously charged a fee and no longer do through the Company’s fee-free payment program.

**Table No. 3**

Year	# of Residential Payments	Payments Subject to Convenience Fee	% of Total
2015	879,811	40,761	4.6%
2016	898,873	49,575	5.5%

Chart No. 2 graphically shows the trend in fee-free payments in 2017 compared to the historical annual average in 2015 and 2016.

**Chart No. 2**



The Company has not yet deferred any costs associated with the fee-free payment program as it is still working through the invoice process with Fiserv.

Please direct any questions regarding this report to Shawn Bonfield at 509-495-2782 or [shawn.bonfield@avistacorp.com](mailto:shawn.bonfield@avistacorp.com) or myself at 509-495-4975 or [linda.gervais@avistacorp.com](mailto:linda.gervais@avistacorp.com)

Sincerely,

*Linda Gervais*

Sr. Manager Regulatory Policy  
Avista Utilities