

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UM 1631**

In the Matter of:

PORTLAND GENERAL ELECTRIC
COMPANY,

Application for Waiver of Requirements of
OAR 860-021-0414, Equal-Payment Plans for
Residential Electric and Gas Service, and OAR
860-021-0415, Time-Payment Agreements for
Residential Electric and Gas Service
(Nonmedical Certificate Customers).

**AMENDED APPLICATION OF
PORTLAND GENERAL ELECTRIC
COMPANY FOR WAIVER OF OAR
860-021-0414, EQUAL-PAYMENT
PLANS FOR RESIDENTIAL
ELECTRIC AND GAS SERVICE, and
OAR 860-021-0415, TIME-PAYMENT
AGREEMENTS FOR RESIDENTIAL
ELECTRIC AND GAS SERVICE
(NONMEDICAL CERTIFICATE
CUSTOMERS)**

Pursuant to OAR 860-021-0005¹, Portland General Electric Company (“PGE” or the “Company”) hereby requests the Public Utility Commission of Oregon (“Commission”) waive OAR 860-021-0414, Equal-Payment Plans for Residential Electric and Gas Service (“414 Rule”), which requires that the Company make equal-payment plans available to Residential Customers as well as provide for an annual adjustment between the estimated charge and the actual charges. PGE also requests a waiver of OAR 860-021-0415(2)(a), Time-Payment Agreements for Residential Electric and Gas Service (Nonmedical Certificate Customers), which provides that the energy utility shall review the monthly installment plan periodically (“415 Rule”). OAR 860-021-0414 and OAR 860-021-0415 are collectively referred to as the Rules in this Application. PGE requests a waiver of the 414 Rules through March 31, 2020² and waiver of

¹ OAR 860-021-0005 provides in pertinent part that ‘[up]on request ...the Commission may waive any of the Division 021 rules for good cause shown.’

² PGE’s Equal Pay customers have different anniversary dates. A waiver through March 31, 2020 will ensure that all Equal Pay customers have been successfully transitioned and their anniversary dates preserved.

the 415 Rule through March 31, 2019. PGE has discussed the 414 Rule waiver request with the Commission’s Consumer Services Staff (“Staff”) and the Citizen Utility Board of Oregon³.

A. Background.

In the early 2000s, after the Banner Customer Information System (“Banner”) had been operational for a couple of years, PGE discovered some glitches with equal pay, and ultimately fixed those glitches. As a result, PGE was particularly vigilant during the recent Operational Readiness Testing of the new Oracle Customer Care and Billing System (“System”) in the spring of 2018. PGE had been monitoring the functionality of equal pay, when converting from Banner to the new System. PGE discovered, during the monitoring, that the new System was not performing the required annual true up for equal pay customers as PGE had expected⁴. PGE then turned off the ‘true up’ function of the System and the monitor logic, and intends to keep it turned off until the design of this functionality is re-assessed and updated⁵.

PGE’s initial estimate was that the fix for the equal pay functionality could be done within the first few months after the System ‘go live’ in May 2018. After further evaluation of the required work, PGE determined the best course would be to research best practices with other utilities that have a similar system or deal with variance differently than how PGE dealt with variance in Banner. We have since completed our research and began the work in November 2018, and we estimate that this work will be completed in early 2019. This timeline allows for the design work to be completed and tested, for PGE to communicate with customers, and then implemented.

³ PGE has also informed Staff about the 415 Rule waiver request.

⁴ OAR 860-021-0414 requires the plan to provide “for an annual adjustment between the estimated charge and the actual charges.”

⁵ The true-up functionality currently requires significant manual work to support customers on equal pay. As discussed below, PGE is manually addressing accounts with large balances.

There are about 80,000 customers participating in equal pay. At the end of 2018, 34,000 of those equal pay customers were affected by the challenges we are experiencing with the true up functionality. As an interim solution, PGE is identifying customers with large debit or credit variances, and is proactively contacting them to offer options to get their accounts caught up. The options include providing bill solutions like time-payment agreements, one-time payments to catch up their bills, or extending durations of existing time-payment agreements. As alluded to above, prior to turning on the true-up functionality, once it is redesigned and tested, PGE will be communicating with all affected customers.

PGE has met with Staff regularly to discuss issues associated with the new System, and has kept Staff apprised of the challenges with the equal pay functionality of the new System. PGE will continue to update Staff on our progress with the fix of the equal pay functionality and will inform the Commission once the functionality has been fixed.

B. Discussion.

The Company believes the requested temporary waivers of the Rules are appropriate for reasons stated in this application.

1. PGE believes that good cause exists to waive the requirements of OAR 860-021-0414, which requires electric companies and gas utilities to make equal payment plans available to residential customers and provide for an annual adjustment between the estimated charge and the actual charges. PGE has made equal payment plans available to customers. PGE's equal payment plan option works in the following way: the customer's monthly bill amount is calculated based on an annual average amount from the last twelve (12) months' usage. The annual true-up for equal pay then

determines the variance between the average energy billed and the actual energy consumed.

In Banner, if there was a variance, that amount was included as part of the next year's equal pay monthly amount due after the annual true-up. In PGE's new System, the annual variance does not automatically calculate into the amount due for the customer's following year's equal pay monthly amount. Once PGE discovered this issue, PGE paused the System's automatic annual true-up process until we could make System changes that would address the issue, that is, dealing with the variances in customer's average energy billed versus the actual energy consumed.

PGE is currently working on changes to the System that will enable the System to deal with the variance during the annual true-up process. In the meantime, PGE is taking temporary measures to mitigate harm to customers, and to the Company.

PGE therefore requests a waiver of the 414 Rule until March 31, 2020.

2. PGE also requests waiver of OAR 860-021-0415 (2)(a), which requires PGE to review the monthly installment plan periodically. Prior to the transition from Banner to the System, PGE monitored equal pay customers' accounts every four months. Due to the previously described technical issues with the System, PGE was not able to monitor equal pay accounts as it had done in the past. PGE has been manually reviewing equal pay accounts with large⁶ balances and reaching out to these customers. Once the equal pay functionality is turned on, PGE will be conducting a review of account usage every four months to ensure the usage has not significantly changed from the usage used to calculate the equal pay recurring amount. If the

⁶ Customers with credit or debit balances of \$500 or more.

usage has changed significantly at the four month or eight month reviews, PGE will adjust the equal pay recurring amount to better reflect the customer's updated charges.

PGE therefore requests a waiver of the 415 Rule until the periodic monitoring is automated in the System. PGE will resume the periodic reviews required in OAR 860-021-0415(2)(a) as soon as practicable after the System and the paused features are up and running, or no later than March 31, 2019.

In the meantime, PGE will continue to manually monitor equal pay accounts with large variances, and will continue the outreach to impacted customers to discuss the various options available to them.

The Company further notes that these waivers, if granted, will not affect the Commission's ability to request information from PGE or investigate concerns raised by customers or Staff.

C. Communications.

Communications regarding this Application should be addressed to the following email address: pge.opuc.filings@pgn.com.

With copies to:

Jay Tinker
Portland General Electric Company
121 SW Salmon Street, 1WTC0306
Portland, OR 97204
Telephone: 503-464-7002
E-mail: pge.opuc.filings@pgn.com

Loretta Mabinton
Portland General Electric Company
121 SW Salmon Street, 1WTC1301
Portland, OR 97204
Telephone: 503-464-7822
E-mail: Loretta.mabinton@pgn.com

D. Conclusion.

As shown above, good reason exists for the Commission to waive the requirements under OAR 860-021-0414 and OAR 860-021-0415. PGE will continue to expedite work on fixing the

problem with the equal pay functionality and will take steps to mitigate harm to customers. PGE will also resume periodic reviews required in OAR 860-021-0415(2)(a) no later than March 31, 2019.

Therefore, PGE respectfully request that the Commission grant the waiver of OAR 860-021-0414 until March 31, 2020 and OAR 860-021-0415 until March 31, 2019 as requested herein.

DATED this 31th day of January, 2019.

Respectfully submitted,



Loretta Mabinton, OSB #020710
Associate General Counsel
Portland General Electric Company
121 SW Salmon Street, 1WTC1301
Portland, OR 97204
Telephone: 503-464-7822
Facsimile: 503-464-2200
Email: Loretta.mabinton@pgn.com