

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: August 25, 2020**

REGULAR CONSENT EFFECTIVE DATE _____ N/A _____

DATE: August 12, 2020

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Bryan Conway, John Crider, and Matthew Muldoon **SIGNED**

SUBJECT: PACIFIC POWER:
(Docket No. UM 1620(2))
Request for an Extended Waiver of OAR 860-021-0326(1), Disconnection of Gas or Electric Service to Tenants.

STAFF RECOMMENDATION:

Approve Pacific Power's (PacifiCorp, PAC, or Company) request for an extension of its previously Commission-authorized waiver of specific provisions of OAR 860-021-0326(1)'s duplicate disconnect notice requirement when the billing address differs from the services address, as previously approved in Order No. 17-301, and allow the waiver to remain in effect until August 8, 2023, or until OAR 860-021-0326(1) is amended, whichever first occurs.

DISCUSSION:

Issue

Whether the Commission should approve Pacific Power's request for extension of its waiver of OAR 860-021-0326(1), duplicate disconnect notice requirement, when the billing address differs from the service address.

Applicable Rule or Law

Commission rules governing disconnection of residential gas or electric service to tenants apply to this filing. Specifically, OAR 860-021-0326(1) requires that 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) to the occupants of the premises in the manner described in OAR 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 OAR 860-021-0405. The notice to occupants need not include the dollar amount owing.

Under OAR 860-021-0005, the Commission may waive any of the Division 21 rules upon receipt of a written request for waiver from a utility or its own motion and upon good cause shown.

A prior waiver of OAR 860-021-0326(1)'s duplicate notice requirement was granted in Order No. 17-301, Docket No. UM 1612, through August 8, 2020, or until the relevant rule is amended, whichever occurs first.

Analysis

Background

Workshops were held on November 28, 2011, and on January 24, 2012, for the purpose of discussing a number of issues specific to low-income customers. These workshops focused on assistance for those struggling financially to maintain service. An ancillary issue that resulted from these workshops was related to duplicate five-day disconnect notice requirements when a customer has a billing address that differs from the service address.

The Low-Income Workshops were attended by Avista Utilities, Cascade Natural Gas, Idaho Power, Northwest Natural Gas, Pacific Power, Portland General Electric, Citizens' Utility Board, Community Action Partnership of Oregon, Oregon Heat, Oregon Housing and Community Services, Oregon Law Center, and Staff.¹

OAR 860-021-0326(1)² requires a utility to provide a duplicate copy of the five-day disconnect notice provided under OAR 860-021-0405(6) to the occupants of the premises when a residential customer's billing address is different from the service

¹ See Staff Report for June 24, 2014 public meeting, Item No. 1.

² 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 OAR 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 OAR 860-021-0405. The notice to occupants need not include the dollar amount owing."

address, unless the utility has reason to believe the service address is occupied by the customer. PacifiCorp filed application waiver of the requirement in OAR 860-021-0326(1). Commission Staff recommended that the Commission grant the waiver.³

Staff agreed that it would be costly and unnecessary to send duplicate five-day disconnect notices based on differing billing and service addresses alone, and that the Commission has received no complaints related to this matter.⁴

The Commission granted the waiver on June 24, 2014, in Order No. 14-237, with a sunset date of June 24, 2017. The waiver was temporary because, at the time, Staff expected to initiate a Division 21 rulemaking that would include a revision to the language in OAR 860-021-0326(1) prior to the sunset date.

The Commission granted the waiver on August 11, 2017, in Order No. 17-301, with a sunset date of August 8, 2020. As of the date of this filing, the anticipated rulemaking to revise OAR Division 21 has not been initiated. Accordingly, PacifiCorp requests an extension of its waiver until OAR 860-021-0326(1) is revised and the Division 21 rulemaking completed.

Waiver Request

In Pacific Power's request for waiver, the Company states that compliance with OAR 860-021-0326(1) would be unduly burdensome, both administratively and financially, and would provide little additional protection for tenants. The Company explained that its service area is primarily rural in nature and that it is not uncommon for a customer who is not a tenant to have a different billing and service address.

Pacific Power contends in its waiver extension request that the waiver of the requirements to provide duplicate notice is necessary to protect customer information and prevent confusion regarding responsibility for payment. The Company also noted that it has not received any complaints regarding its practices under the current waiver of this rule.

Staff appreciates the customer service systems modifications and customer service verification process that Pacific Power has implemented, in response to discussions with Staff, to help address existing concerns regarding customers receiving disconnect notices when the billing address differs from the service address.

³ See Application's appendix A at 1.

⁴ See Order No. 14-237.

Current Practice

Before the grant of the previous request for a waiver of OAR 860-021-0326(1), the Company was not monitoring or tracking when customers resided at the service address.

In response to discussions with Staff, PacifiCorp modified its customer service systems and notification process to allow Customer Service Agents to identify and track when the customer connecting service resides at the service address.

Customer service agents are prompted to ask the customer to verify if they will be living at the location while power is in their name when the mailing address and service address differ. If the customer advises the Customer Service Agent that they are not living at the address, the account is flagged and if the customer account becomes past due, a notice of pending disconnection is sent to both the billing address and service address.

In addition, when PacifiCorp is contacted by a tenant, the Company delays disconnection of service during that current month. This allows the tenant time to either make arrangements with their landlord or apply for service if they choose, without requiring payment of overdue amounts from the tenant.

Staff Recommendation

Staff would like to note that Pacific Power temporarily suspended disconnections and late fees for residential and small business customers since March 2020, due to the COVID-19 pandemic. Pacific Power may be resuming normal collections activities at some point in the coming months, which means this request remains relevant in the coming year.

Conclusion

Staff concludes that there is good cause for the Company's waiver request and recommends the Commission grant the request.

PROPOSED COMMISSION MOTION:

Approve Pacific Power's request for waiver of OAR 860-021-0326(1)'s duplicate disconnect notice requirement when the billing address differs from the service address, and allow it to remain in effect until August 8, 2023, or until OAR 860-021-0326(1) is amended, whichever first occurs.