

November 23, 2016

Public Utility Commission of Oregon 201 High St. SE, Suite 100 Salem, OR 97301

Re: AR 601 - PacifiCorp's Informal Comments on Draft Severe Weather Moratorium Rule

PacifiCorp, d/b/a Pacific Power ("Pacific Power" or "the Company") appreciates the opportunity to respond to the proposed rule initiated by the Oregon Public Utility Commission staff to implement a severe weather moratorium. Pacific Power also appreciates the collaborative process in which Staff, CUB, CAPO and the other utilities is working to establish a moratorium which provides assistance to vulnerable customers with minimal impact to other ratepayers or the utilities. Pacific Power does not oppose a severe weather moratorium rule and respectfully submits the following comments.

As stated in Staff's Second Low Income Report from July 6, 2016, the severe weather moratorium was recommended on the basis of "establishing minimum standards for such moratoriums will have a minimal negative impact on the utilities, but will allow for continuation of vital utility services when severe weather hits, reducing the possibility of life threatening situations due to severe weather."

Pacific Power is not aware of any evidence or precedence supporting the existence of an extreme weather concern in Oregon. Staff reported previously on this subject on March 20, 2016. In response to the Jackson County Fuel Committee petition to have a year-round moratorium on low income customers or a winter moratorium from November 1st through March 31st, Staff noted Oregon's weather is not generally severe enough to pose a life-threatening risk to individuals whose service is disconnected. Staff would also note "the Consumer Services Section hasn't received complaints from customers about disconnection during extreme weather." Pacific Power is unaware of any subsequent complaints received since Staff's report.

The National Weather Service provides statistical information on fatalities caused by extreme weather, and has recorded weather related fatalities from 1995 to 2015. While the majority of fatalities are in conjunction with flooding, cold and hot weather related deaths are also tracked. Cold weather fatalities are classified as occurring in water, in a mobile home/trailer home, outside or in open area, in a permanent home, in a vehicle or towed trailer, or as other. In the past twenty years, two Oregon fatalities occurred due to cold weather, and both occurred in an outside or open area. Heat related fatalities are tracked, and classified as occurring on a ball field, during camping, during golfing, in a mobile home or trailer home, outside or in open area, in a permanent home, in a vehicle or towed trailer, or as other. In the past twenty years, two Oregon fatalities were related to heat with the location both listed as other. None of the four deaths reported would have been prevented by this moratorium as none of these incidents occurred within a permanent home, vehicle, trailer or mobile home.

¹ http://www.nws.noaa.gov/om/hazstats.shtml

Public Utility Commission of Oregon November 23, 2016 Page 2 of 4

Pacific Power's self-imposed policy for ceasing disconnection of service during extreme weather conditions has been very successful. Pacific Power believes the content of the rule should align with Staff's low income report stating the rule will have minimal negative impact on the utilities while protecting customers from life-threatening situations. With these principles in mind, Pacific Power respectfully submits the following recommendations for sections (1), (2), (4), (5) and (6) of this rule pertaining to the scope of the moratorium, the temperature triggers, and the data used to obtain temperatures. Pacific Power has no recommended change to section (3).

Scope of Moratorium

In Staff's initial memo dated July 21, 2016, draft rule language was proposed specifically referring to a moratorium on residential service being disconnected for non-payment of bills. The newest draft language proposed on November 9, 2016 no longer uses the term non-payment. Pacific Power is not aware of Staff's intent by removing the language from the rule, and has no recollection of a conversation between parties during the workshop suggesting the removal of the language. The Company believes the deletion of the language strays from the purpose of the rule making. Pacific Power is requesting the term "non-payment" be placed back in the rule.

Temperature Triggers

In Pacific Power's comments on October 12, 2016, the Company proposed rule language including temperature thresholds of 32 degrees and 100 degrees Fahrenheit. The Company reserved the right to change position on the temperature thresholds after reviewing additional weather data and comments from other parties in this docket. Based on the aforementioned review, Pacific Power recommends a cold temperature threshold of 25 degrees Fahrenheit. The lower threshold would apply to all utilities in Oregon's diverse geography with minimal risk to injury as demonstrated by the statistical information provided by the National Weather Service.

Pacific Power does not support deviating from the prior rule language which established a high temperature threshold. Pacific Power already acquires data from the National Weather Service to provide temperature information on our customers' bills. Adding a heat advisory based on a heat index adds a new data point to acquire while increasing the complexity of an existing process and also creating an additional expense. A heat index rather than a temperature threshold contradicts the stated intent to use an easily recognizable number which is easier for customers to understand and the utility to implement. Pacific Power recommends using 100 degrees Fahrenheit as the threshold for warm weather.

National Weather Service

Pacific Power agrees with obtaining forecast data from the National Weather Service. Several utilities have expressed concern with the language requiring it be from the "nearest National Weather Service reporting station." Staff drafted new language in this rule, section (5), to allow the utilities to report which weather stations cover which location or area. Pacific Power requests removing mention of the nearest reporting station, as the National Weather Service is the party determining the area in which their stations report. Our recommendation is to remove section (5).

Pacific Power provides information regarding our service territory to the National Weather Service. The National Weather Service then determines which reporting station is closest to the location (zip code) and provides the Company with the temperature data. If the National Weather Service chooses to remove a reporting station, add or change a reporting station, Pacific Power may not be aware of the change. The National Weather Service will still make a determination on which reporting station serves that area and provide Pacific Power with the data.

Public Utility Commission of Oregon November 23, 2016 Page 3 of 4

Winter Protection Program

Staff added section (6) to the proposed rule to help utilities with service territories prone to cold temperatures for sustained periods of time. Several utilities indicated the 32 degree Fahrenheit trigger would create long durations of time without disconnection for non-payment potentially leading to large customer balances and would create significant impact to company operations. Section (6) allows a utility to be exempt from section (1) predicated on the implementation of a winter protection program. Pacific Power's proposed 25 degrees Fahrenheit as the cold weather trigger would eliminate the need for section (6) of this rule. Regardless of the temperature threshold, Pacific Power has concerns with the current language used in this section. With the exemption of Section 1, the utilities could disconnect any households unless a child, an elderly person or a medical certificate holder resided in the home. If the intent of the rule is to protect all customers from severe weather, this language protects only a certain class of people allowing the utility to disconnect all other customers who are not a member of the specified group. The duration of the winter protection program is problematic creating a loop hole for utilities to disconnect service for non-payment prior to December 15th or after March 15th regardless of the temperature. A simplified approach is to lower the cold weather temperature trigger to 25 degrees Fahrenheit and apply it to all customers.

Pacific Power also has raised concern in the past regarding winter moratoriums and the large balances which can accumulate for customers during the moratorium. Customers struggling to pay their bills can face even higher balances after the moratorium and after the availability of funds from energy assistance is gone. Pacific Power recommends the elimination of the winter protection program or moratorium.

Summary

Pacific Power appreciates the opportunity to work with Staff, CUB, CAPO and the other utilities to establish a rule to protect customers during severe weather conditions, and simultaneously minimize the impacts to the utilities and the ratepayers in Oregon. Pacific Power is confident the draft language included in these comments reaches the objective of establishing base line thresholds for severe cold and hot temperature disconnection moratoriums to avoid life-threatening situations for customers. We look forward to discussing the matter further.

Thank you for the opportunity to provide comments. If you have any questions, please contact Jason Hoffman at (503) 331-4474.

Sincerely,

Melissa Nottingham

Customer Advocacy Manager

Public Utility Commission of Oregon November 23, 2016 Page 4 of 4

Severe Weather Moratorium on Involuntary Disconnections for Non-Payment

- (1) Except as set forth in section (6) of this rule, aAn energy utility shall implement a moratorium on the disconnection of residential service for non-payment when a daily high temperature of less than 32 degrees Fahrenheit is forecast by the National Weather Service.
- (2) An electric utility shall implement a moratorium on the disconnection of residential service <u>for non-payment</u> when a <u>daily high temperature of 100 degrees Fahrenheit or more local Heat Advisory</u> is <u>issued forecast</u> by the National Weather Service.
- (3) An energy utility required to implement a moratorium under section (1) or (2) of this rule shall implement the moratorium for a period not less than 24 hours.
- (4) An energy utility shall base the need for a moratorium on data available from the nearest-National Weather Service for the area where disconnection for non-payment is scheduled to occurreporting stationand need only apply a moratorium to the area covered by that reporting station. The energy utility shall obtain the required forecast data no later than 8:00 a.m. each business day.
- (5) Each energy utility shall make an initial filing with the Commission to designate a weather reporting station for each locality in the utility's service area, and shall update its designations as necessary with a supplemental filing.
- (6) If an energy utility implements a winter protection program under which a household with a child, an elderly person, or a medical certificate holder may voluntarily participate if the customer is unable to pay a utility bill and be protected from service disconnection between December 15 through March 15 of the calendar year, the requirements of section (1) of this rule shall not apply.