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October 12, 2016

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
Salem, Oregon 97301

**RE: AR 601 – Severe Weather Moratorium on Service Disconnection**
**Idaho Power Company's Comments**

Attention Filing Center:

In response to the Public Utility Commission of Oregon ("Commission") Staff's request for comments in Oregon Docket No. AR 601, Severe Weather Moratorium on Service Disconnection, Idaho Power Company ("Idaho Power") provides the following comments. In these comments, Idaho Power will address the topics discussed during the recent workshop held on September 28, 2016.

The purpose of AR 601 is to develop an administrative rule to implement a severe weather moratorium on service disconnections for utilities. During the workshop, Staff discussed a rule that defines extreme cold weather as a forecasted high temperature of 30 degrees and extreme hot weather as a forecasted high temperature of 100 degrees.

The following are questions and topics discussed during the workshop, as well as Idaho Power's response:

**1. Should the rule allow each utility the discretion to formulate its own plan incorporating minimum standards to be set by rule or should the Commission prescribe the severe weather moratorium standard?**

Idaho Power supports a severe weather moratorium, but believes each utility should be allowed to craft its own guidelines to meet operational and geographic needs. The purpose of a severe weather moratorium is to protect customers from disconnections when the weather is too extreme and disconnecting the customer could pose a health or safety hazard to the customer. The intent is to strike a reasonable balance between protecting customers while allowing the utility to continue its business operations regarding service disconnections and customer account balance collections.

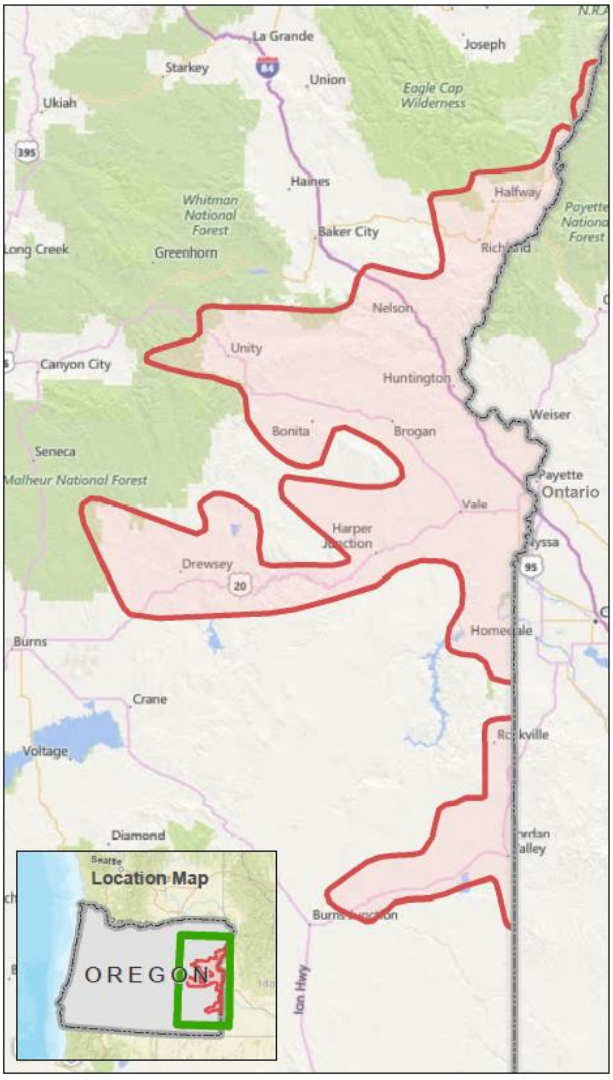
Idaho Power currently has an internal policy regarding severe weather and does not perform disconnections on delinquent accounts during extreme weather conditions. Under Idaho Power's policy, extreme cold weather occurs when the forecasted daytime highs do not exceed 25 degrees for three consecutive weekdays or the forecasted night time low falls below 10 degrees on any weekday. Idaho Power's extreme hot weather occurs when the forecasted daytime highs exceed 105 degrees for three consecutive weekdays or the forecasted daytime high is above 110 degrees on any weekday. Idaho Power does not perform disconnections on Fridays or weekends. Idaho Power has not experienced any customer issues or complaints regarding its severe weather moratorium and does not believe a change to these criteria is necessary.

**2. Should there be different triggers for different geographic areas (e.g. Eastern Oregon versus Western Oregon versus Southern Oregon)?**

Yes. Severe weather is a subjective concept dependent on geographic location and it would be problematic to use one definition or set of criteria applicable to the entire state of Oregon.

Extreme Cold Weather Moratorium

Cities with higher elevation, such as those on the eastern side of the state within Idaho Power's service area, experience different weather than cities in central and western Oregon. For example, the average temperature in Portland during winter is 41.8 degrees. Conversely, the average temperature in Vale during winter is 30.3 degrees. This 11.5 degree variance is substantial in the context of a severe weather moratorium, particularly when considering Staff's recommended definition of extreme cold weather. By definition, extreme weather should not be a common occurrence or the average and should only transpire in rare and extreme circumstances. However, using Staff's recommended definition of extreme weather would result in a substantial number of moratorium events in Idaho Power's Oregon service area. Below is a map of Idaho Power's service area in Oregon:



Idaho Power performed an analysis of the daily temperatures in the cities of Vale, Ontario, and Halfway, three cities with higher elevations in Oregon within Idaho Power's service area, from 2000 through 2015. The analysis used Staff's recommended definition of extreme cold weather as a forecasted high temperature of 30 degrees. This data excludes Fridays and weekends. Data was available for 14 years for Halfway. Using Staff's criteria for extreme cold weather during those 16 years, the city of Halfway would have experienced an extreme cold weather moratorium event an average of almost 13 times per year. The city of Ontario would have experienced an extreme cold weather moratorium event an average of approximately 9 times per year in Ontario. Data was only available for the city of Vale from 2000 through July 2013. During those 13 years, the city of Vale would have experienced an extreme cold weather moratorium event an average of almost 10 times per year. By contrast, using Idaho Power's definition of extreme cold weather, moratorium events occurred only a few times each year. Below is a summary of the number of extreme weather moratorium events that would have occurred in each of the three cities using Staff's definition of extreme cold weather:

| Extreme Cold Weather Moratorium Events Where ≤ 30 Degrees F | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Total | Avg. |
| Halfway | 10 | 18 | 13 | 4 | 9 | 13 | 10 | 9 | 17 | 16 | NA | NA | 5 | 22 | 17 | 15 | 178 | 12.71 |
| Ontario | 3 | 11 | 1 | 4 | 10 | 12 | 4 | 5 | 12 | 12 | 11 | 7 | 1 | 25 | 18 | 10 | 146 | 9.13 |
| Vale | 12 | 17 | 8 | 4 | 11 | 16 | 12 | 9 | 14 | 13 | 4 | 6 | 1 | NA | NA | NA | 127 | 9.77 |

The number of extreme cold weather moratorium events in the table above are based on Staff's recommendation that an event would occur if the forecasted high is 30 degrees. If the threshold increases to 32 degrees the number of events would drastically increase.

Extreme Hot Weather Moratorium

Although less substantial than the severe cold weather potential impact, Staff's recommended definition of extreme hot weather as a forecasted high temperature of 100 degrees would also result in more severe weather moratorium events occurring during the summer months in Idaho Power's Oregon service area compared to other areas of Oregon. The average temperature during summer for Portland is 67.5 degrees, while the average temperature during summer for Vale is 72.4 degrees. This variance once again demonstrates the differences in temperatures across Oregon and the potential impact of having one set of criteria for the entire state. Below is a summary of the number of extreme weather moratorium events that would have occurred in each of the three cities using Staff's definition of extreme hot weather:

| Extreme Hot Weather Moratorium Events Where ≥ 100 Degrees F | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Total | Avg. |
| Halfway | 1 | 2 | 4 | 9 | 1 | 1 | 4 | 3 | 0 | 4 | NA | NA | 3 | 3 | 3 | 6 | 44 | 3.14 |
| Ontario | 5 | 5 | 8 | 11 | 2 | 4 | 9 | 8 | 2 | 5 | 1 | 0 | 8 | 14 | 8 | 7 | 97 | 6.06 |
| Vale | 7 | 2 | 6 | 12 | 3 | 2 | 4 | 10 | 2 | 2 | 0 | 0 | 9 | NA | NA | NA | 59 | 4.54 |

The large variance in temperatures across Oregon suggests that one set of criteria would not be appropriate for establishing a severe weather moratorium. Staff's recommended uniform extreme weather definition could compromise the existing balance between protecting customers and allowing utilities to continue their business operations regarding service disconnections and customer account balance collections. Idaho Power recommends each utility should have the discretion to establish parameters for an extreme weather moratorium that are more appropriate for each utility's applicable service territories. Allowing each utility the discretion to establish its own criteria maintains the intent of a severe weather moratorium. Alternatively, if an administrative rule is required, Idaho Power recommends using parameters dependent on the different geographic areas.

Cold Weather Program

In addition to the severe weather moratorium, Idaho Power also voluntarily extends its Cold Weather Program to Oregon residential customers. Under the Cold Weather Program, residential customers that declare they are unable to pay their bill in full and their household includes children, elderly, or infirm persons will not be disconnected during the months of December through February. During the moratorium period, customers are not required to pay their electric bill, but they are encouraged to make payments.

Similar to the severe weather moratorium, the purpose of the Cold Weather Program is to protect customers during winter. However, it has been Idaho Power's experience that customers participating in the Cold Weather Program have a large past due balance when the moratorium period ends. The average past due balance is approximately $600 per customer at the end of the moratorium period. These customers often are unable to pay off the entire past due balance amount in full at the end of the moratorium period and enter into payment plan arrangements with Idaho Power. While the Cold Weather Program does protect customers during the winter months, the large past due balances are often very difficult for customers to manage. Idaho Power believes protecting its customers is important and currently plans to continue to voluntarily offer the Cold Weather Program to its residential customers.

Disconnections

In order to sustain operational efficiencies and maintain a lean employee base, Idaho Power schedules residential disconnections regionally. When an area is placed in moratorium due to severe weather, Idaho Power does not return to that area to perform disconnections until the following month at the next scheduled disconnection date. In other words, Idaho Power does not perform multiple disconnections in various areas to "catch up" with the growing accumulation of scheduled disconnections when the moratorium has ended.

The definition of extreme weather as envisioned by Staff could essentially mandate a long-term moratorium to all residential customers in cities that experience more extreme weather regardless of whether the customer requested the moratorium. A moratorium period could naturally occur as a default for all customers due to the lower winter temperatures in Idaho Power's service area in Oregon, while customers scheduled for disconnection would continue receiving electric service and could potentially accrue large past due balances.

Using the weather analysis as a proxy in conjunction with Staff's recommended extreme weather definition, it is reasonable to anticipate that a customer's regional area would experience a severe weather moratorium during the scheduled disconnection for multiple consecutive months, thus mandating a moratorium during the entire winter by default. These customers could experience large past due balances at the end of the moratorium period. Operationally, Idaho Power may need to alter its disconnection policy and employ additional field personnel to perform the disconnections to prevent a large accumulation of scheduled disconnections at the end of each severe weather moratorium event.

**3. What are the appropriate winter and summer temperature triggers?**

Idaho Power believes its current severe weather moratorium criteria, as explained in response to Question 1, is appropriate for Idaho Power's service area. As shown in response to Question 2, Staff's recommended definitions for extreme weather would likely result in many

moratorium events each year. Each utility should be allowed to craft its own guidelines to meet operational and geographic needs.

**4. Discussion of period of time trigger must be met before a moratorium is initiated (e.g., 24 hours, 48 hours).**

Idaho Power believes that a severe weather moratorium event should be a daily moratorium based on the daily forecast. If severe weather lasts multiple days, the moratorium will also last multiple days; however, each day will be considered its own event and will be evaluated independently.

**5. How long should the moratorium remain in effect and under what conditions should it end?**

The moratorium should remain in effect until the conditions improve and the criteria to be considered severe weather are no longer occurring. Once the daily forecast indicates that the severe weather conditions have subsided, the moratorium should end.

**6. Are there other circumstances under which a moratorium should be put into effect?**

There are other circumstances that could result in a severe weather moratorium, but these circumstances are location specific and unique in nature. Circumstances such as heavy snow, flooding, high winds, etc. could result in a severe weather moratorium. These unique circumstances that could warrant a severe weather moratorium should be at the utility's discretion.

**7. What will it cost utilities to implement a severe weather moratorium program?**

The costs to implement a severe weather moratorium are directly dependent on how the program is constructed and implemented. Idaho Power currently has a severe weather moratorium policy but it is operated manually. Automating the program or changing the program criteria could result in incremental costs. At a minimum, based on Staff's recommended definitions for extreme weather, Idaho Power would expect an increase in moratorium events. As explained in the response to Question 2, the increase in moratorium events could lead to a moratorium of scheduled disconnections for multiple consecutive months, ultimately resulting in large cumulative past due balances and potentially larger write-off balances. Idaho Power may need to hire additional personnel to assist with the increase in disconnections at the end of a moratorium period.

Idaho Power appreciates the opportunity to provide comments in this docket and believes protecting its customers during severe weather is an important business practice.

Very truly yours,

Lisa D. Nordstrom

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