

ITEM NO. CA4

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 13, 2017

REGULAR _____ CONSENT X EFFECTIVE DATE June 14, 2017

DATE: June 6, 2017

TO: Public Utility Commission

FROM: Max St. Brown ^{MSB}

THROUGH: Jason Eisdorfer and Marc Hellman

SUBJECT: PORTLAND GENERAL ELECTRIC: (ADV 555/Advice No. 17-10)
Elimination of Average Payment Option.

STAFF RECOMMENDATION:

The Public Utility Commission of Oregon (Commission) should allow Portland General Electric Company's (PGE or Company) Advice No. 17-10, which will eliminate its average payment option, to go into effect with service rendered on June 14, 2017.

DISCUSSION:

Issue

Whether the Commission should prohibit PGE's proposal to eliminate its average payment option.

Applicable Rule or Law

A utility must file with the Commission all proposed changes to its rates, tolls, charges, rules, or regulations. See ORS 757.220 and OAR 860-022-0020.

Analysis

On May 5, 2017, PGE filed Advice No. 17-10 with the Commission requesting approval to revise its Rule F tariff to eliminate average pay as a payment option available to customers. PGE's current tariff describes its average pay option, which is pasted below for reference:

"Average Pay Plan: Bills for service under this plan are rendered on a 12-month average basis. The average pay amount is calculated each month

and is equal to the average consumption of the preceding 12-months (actual or estimated) or less (based on the number of months available), multiplied by the current rate, plus up to 1/10 of any then-outstanding debit or credit balance.”

The Company supports its request in three ways:

1. Eliminating average pay might benefit ratepayers because it might allow PGE to convert to its new Customer Information System at a lower cost, due to requiring less customization;
2. Few customers are enrolled in average pay (approximately 1 percent of eligible customers); and
3. PGE is not required to offer an average pay plan.

PGE will transition customers from Average Pay to Equal Pay unless they opt out. Beginning a month before the transition, PGE will notify its customers enrolled in Average Pay about their upcoming transition to Equal Pay.¹

The Commission’s Consumer Services Staff has confirmed that the elimination of PGE’s average pay option is not anticipated to cause any undue hardships to individual customers. Staff issued two requests for information.

The Company has reviewed this memo and has stated no objections.

Conclusion

Because PGE is not required to offer an average pay plan and because customers are not anticipated to be unduly harmed by its elimination, I see no compelling reason to prohibit PGE from eliminating its average pay plan. Furthermore, customers might benefit from the elimination because PGE’s conversion to its new Customer Information System may require less customization (and, if so, possibly fewer associated expenses).

PROPOSED COMMISSION MOTION:

Allow PGE's Advice No. 17-10 to go into effect for service rendered effective on and after June 14, 2017.

ca4_Advice No. 17-10_6-13-17

¹ See PGE’s response to Staff IR 2.