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REPORT NAME: House Bill 2599 Report

COMPANY NAME: Pacific Power

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

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If known, please select designation: RE (Electric) RG (Gas) RW (Water) RO (Other)

Report is required by: OAR OAR 860-038-0840(16)

Statute

Order

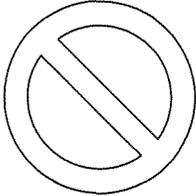
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Is this report associated with a specific docket/case? No Yes

If yes, enter docket number:

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HB 2599

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**Please file the above reports according to their individual instructions.**

October 30, 2015

***VIA ELECTRONIC FILING***

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, OR 97301-1166

**RE: HB2599 - Relating to termination of electric or natural gas service, and declaring an emergency.**

In accordance with House Bill 2599, PacifiCorp d/b/a Pacific Power (PacifiCorp or Company) hereby submits a reporting of the process(es) implemented to help mitigate disconnection for non-payment to protected classes of customers during specified times and/or days of the year. In addition to the information required by House Bill 2599, PacifiCorp has also included the information requested by Staff to help address other low-income energy issues.

Upon reviewing the data obtained for disconnections for non-payment in 2013, 2014 and through September 2015, the Company found the following:

- The total number of disconnected services during the year has remained consistent, with the lowest number of disconnections occurring in November and December.
- Senior citizens (65 and older) represent less than 6 percent of disconnections.
- Customers who have received energy assistance within 12 months prior to disconnection represent approximately 31 percent of disconnections.
- Customers who defaulted on payment plans represented approximately 46 percent of disconnections.
- Customers who have provided a medical certificate to the Company represent less than 2 percent of disconnections.
- Approximately 38 percent of service disconnections were for customers who didn't fall in any of the requested categories (low income, senior, defaulted payment plan or medical).

If you have any questions, please contact Barb Coughlin at (503) 331-4306.

Sincerely,



R. Bryce Dalley  
Vice President, Regulation

cc: Phil Boyle, Consumer Services Program Manager

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**PACIFICORP**

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**PacifiCorp HB2599 Report**

October 30, 2015

## **HB 2599**

(1) As used in this section:

- (a) “Heating season” means a billing period for a residential customer of a utility any portion of which occurs between December 1 and February 15.
- (b) “Residential customer belonging to a protected class” means a person who is a residential customer of a utility who receives state or federal heating assistance and who is:
  - (A) A low-income senior citizen;
  - (B) An active duty member of the Armed Forces of the United States;
  - (C) A customer whose household includes a seriously ill individual or a person with a disability;
  - (D) A customer whose household includes a child under the age of 12 months;
  - (E) A customer who belongs to a household where the member of the household whose earnings are the primary source of support for the household has died within the past six months; or
  - (F) A customer who belongs to a household where the member of the household whose earnings are the primary source of support for the household has lost a job within the past six months.

(2) Each utility that provides electric or natural gas service to residential customers shall prepare a report on the utility’s processes that mitigate, for nonpayment of a delinquent account, the termination of electric or natural gas service to a residential customers belonging to a protected class if the termination would occur:

- (a) During the heating season;
- (b) On any date for which the National Weather Service forecasts that the temperature of a location both within this state and the service territory of the utility will exceed 100 degrees Fahrenheit for a period of 12 or more hours; or
- (c) On any date for which the National Weather Service forecasts that the temperature of a location both within this state and the service territory of the utility will be less than 32 degrees Fahrenheit for a period of 12 or more hours.

(3) A public utility, as defined in ORS 757.005, that provides electric or natural gas services to residential customers shall submit the report described in subsection (2) of this section to the Public Utility Commission no later than November 1, 2015.

### **PacifiCorp Report for HB 2599:**

PacifiCorp provides service to customers throughout the State of Oregon, with service territories subject to a great diversity in climate and topography. Due to this diversity, the Company’s process to help mitigate service disconnection for non-payment during extreme weather is managed at a local level.

Please note PacifiCorp’s process for disconnection mitigation during weather extremes applies to all customers, and is not specific to classes of “protected” customers. PacifiCorp believes that all customers subjected to extreme weather should receive the same type of protection. Further, PacifiCorp is concerned with the definition of protected class of customer used in HB2599. PacifiCorp does not infringe on individual customers rights to their privacy and believes it is inappropriate to ask a customer for the information necessary to determine their “protected” status, such as the number and ages of children living in the household, whether a household member is an active duty member of the armed forces or whether someone in the household recently lost a job or passed away. This information is not needed as a condition of service and

should not be asked of customers. Additionally, PacifiCorp would like to point out that this information is always in flux and apt to change quickly. Information gathered today is valid for today and would require constant monitoring and updating to ensure the “protected” class is not subject to disconnection inappropriately in the future. PacifiCorp maintains it is important to protect all classes of customer during extreme weather, and the intent to protect a select few is both intrusive and not within our rights to request, but also difficult to impossible to maintain.

Local field collections/metering managers communicate with our collections/call center management to provide information on extreme conditions such as low/high temperatures, snow or ice storms, or flooding and the suspension of collection activities due to extreme conditions. And, local field collections and metering management are given the discretion to stop disconnection action. The suspension of collection activity is then communicated to call center employees and the Oregon Public Utility Commission Consumer Staff.

PacifiCorp also has a self-imposed suspension of disconnection during the Thanksgiving and Christmas holiday seasons.

Further, PacifiCorp actively works with customers on a case-by-case basis to help maintain electric service because we understand sometimes customers run into issues with paying their bills. This assistance may include extending the due date of a collection notice, entering into payment arrangements and even renegotiating existing arrangements with a customer. Consideration is particularly given to customer usage during peak months (electric heat in winter) and we will offer equal payment plans to help customers get through high, winter bills. We will continue to communicate with customers the importance of contacting us when they have fallen past due to explore options to help prevent disconnection of service like payment arrangements and energy assistance help. We also discuss with them energy efficiency tips to help encourage conservation and lower usage.

Pacific Power agrees with Staff’s memo dated March 20, 2014, specifically as it pertains to a winter moratorium. Oregon weather is generally not severe enough to pose a life-threatening risk to individuals whose service is disconnected. In the rare situation our customers are faced with extreme weather, PacifiCorp has voluntarily stopped disconnection. In fact, neither PacifiCorp nor the Oregon Commission Staff has received a complaint from customers about disconnection during extreme weather. ORS 757.755(1) allows the Staff to prohibit termination of residential utility service “when such termination would significantly endanger the physical health of the residential customers.” Staff did not agree a winter moratorium is necessary to protect customers from endangerment.

There has been no compelling evidence provided in any workshop, report or data request to demonstrate the imminent need to implement a weather moratorium, of any kind, in Oregon. Utilities have successfully protected customers when the weather has been extreme. The Oregon Administrative Rules provide protection to households with medical conditions, allow for ample notification prior to disconnection, payment arrangements and for transfer of account balances for customers who move from one address to another within the utility’s service territory.

### **Oregon Public Utility Commission (OPUC) Request**

In addition to the HB2599 reporting requirement, OPUC staff requests additional information regarding disconnection of service and low-income customers to help potentially address low-income energy issues. The requested information is as follows:

1. Monthly breakdown for calendar years 2013, 2014 and YTD 2015 of the number of disconnections for:

- A. Non-payment of a delinquent bill
- B. Non-payment of a deposit or deposit installment
- C. Failure to abide by terms of a TPA

2. If possible, this information should be further broken down by group to include:

- A. LIHEAP/OEAP recipients
- B. Emergency Medical Certificate holders
- C. Other customers who are not LIHEAP/OEAP recipients

And if the data is available, by:

- D. Household income
- E. Senior status

3. The report should also show (by month) the number of customer's 60-days in arrears and total dollars 60-days in arrears.

### **PacifiCorp Response to OPUC:**

See attached Appendix A, Appendix B and the information provided below.

Request (1)(B)- Non-payment of a deposit or deposit installment

PacifiCorp does not disconnect service for failure to pay a deposit or deposit installment so there is no data for this particular request.

Request (2)(C)- Other customers who are not LIHEAP/OEAP recipients

Other customers not considered LIHEAP/OEAP recipients would be the remaining customers, and is therefore the difference between all customers disconnected and LIHEAP/OEAP customers disconnected.

Request (2)(D)- Household income

PacifiCorp does not request or monitor household income. A customer is not required as a condition of service to provide their income or the income of those occupying the premises.

Request (2)(E)- Senior status

PacifiCorp uses the age of 65 as the definition of senior status. This information is only available for customers who have provided the Company with their date of birth. A customer is not required as a condition of service to provide their birthdate or the birthdate of those occupying the premises.

# Appendix A

Appendix A

Oregon Residential Service Disconnects for Non-payment-January 1, 2013 to September 30, 2015

Year	Month	Total Disconnects	Deposits	Time Payment Agreements	Agency Assistance	Medical Certificates	Seniors
2013	1	1010	N/A	459	349	13	50
2013	2	1103	N/A	514	349	19	73
2013	3	1073	N/A	506	357	16	40
2013	4	1253	N/A	606	408	22	75
2013	5	1143	N/A	543	380	20	58
2013	6	996	N/A	510	333	16	40
2013	7	1034	N/A	498	359	12	57
2013	8	910	N/A	436	321	10	37
2013	9	826	N/A	384	253	14	39
2013	10	1133	N/A	563	384	23	57
2013	11	549	N/A	243	143	10	37
2013	12	515	N/A	241	157	6	26
2014	1	1053	N/A	484	337	19	67
2014	2	826	N/A	368	237	14	41
2014	3	1048	N/A	484	321	11	71
2014	4	1203	N/A	572	380	16	75
2014	5	1353	N/A	698	421	22	84
2014	6	1283	N/A	670	415	27	77
2014	7	898	N/A	433	313	10	49
2014	8	840	N/A	414	280	14	55
2014	9	896	N/A	405	279	19	57
2014	10	893	N/A	395	283	16	47
2014	11	529	N/A	246	169	6	32
2014	12	768	N/A	337	238	9	40
2015	1	1062	N/A	421	293	12	70
2015	2	1000	N/A	377	266	10	71
2015	3	1248	N/A	501	363	24	93
2015	4	1210	N/A	509	344	12	84
2015	5	945	N/A	392	272	12	65
2015	6	1069	N/A	484	344	9	56
2015	7	894	N/A	365	243	8	53
2015	8	945	N/A	398	264	10	59
2015	9	868	N/A	357	240	12	60

**Notes:**

- 1.) A disconnect can be counted in more than one category if applicable.
- 2.) 101 disconnects for the reporting period (January 1, 2013 to September 30, 2015) didn't have a customer account with a birthdate
- 3.) Service is not disconnected for unpaid deposit unless there is also a service arrears.
- 4.) Seniors were defined as age 65 and over.
- 5.) Agency Assistance was defined as the account for the disconnected agreement had an assistance agency payment within 365 days prior to the disconnect.
- 6.) Payment plans included equal time plans and time payment plans (ETPs and TPPs).
- 7.) Only MED collection profiles were included for medical certificates.

# Appendix B

## Appendix B

## Oregon Arrears from January 1, 2013 to September 30, 2015

Year	Month	Accounts 60 Days in Arrears	Over 60 Day Arrears
2013	1	129,835	\$15,258,348.18
2013	2	110,770	\$12,983,600.10
2013	3	126,524	\$15,731,740.35
2013	4	132,255	\$16,751,284.92
2013	5	133,039	\$17,312,199.78
2013	6	120,789	\$15,410,944.02
2013	7	115,628	\$14,088,629.00
2013	8	103,395	\$12,170,802.16
2013	9	113,789	\$13,361,382.48
2013	10	136,131	\$16,617,854.47
2013	11	153,107	\$19,647,100.62
2013	12	149,895	\$18,294,719.07
2014	1	114,021	\$13,230,523.73
2014	2	114,005	\$14,405,323.43
2014	3	123,926	\$16,655,784.85
2014	4	129,417	\$18,316,046.05
2014	5	121,443	\$17,276,334.80
2014	6	116,770	\$15,818,640.49
2014	7	104,521	\$13,398,040.03
2014	8	94,514	\$11,586,788.80
2014	9	103,392	\$12,780,120.18
2014	10	121,042	\$15,298,958.11
2014	11	128,067	\$16,170,148.55
2014	12	122,959	\$15,227,433.85
2015	1	105,288	\$12,963,320.51
2015	2	90,612	\$11,620,428.97
2015	3	101,704	\$13,053,593.63
2015	4	98,600	\$12,474,481.83
2015	5	105,044	\$13,261,189.59
2015	6	100,727	\$12,431,921.26
2015	7	87,995	\$10,669,989.99
2015	8	90,119	\$11,126,195.30
2015	9	103,435	\$13,273,898.50