Portland General Electric
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July 15, 2022

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, S.E.
P.O. Box 1088
Salem, OR 97308-1088

RE: AR 653, Formal Rulemaking Round 1 Comments of the Joint Utilities in Response to Recommended Changes to Division 21 of the Oregon Administrative Rules

Avista Utilities, Cascade Natural Gas, Idaho Power Company, NW Natural, PacifiCorp d/b/a Pacific Power, and Portland General Electric Company (collectively "the Joint Utilities") submit these comments in response to the Notice of Proposed Rulemaking Hearings with Statement of Need, Fiscal Impact Statement, and Proposed Rules ("the Notice") issued July 1, 2022.

The Joint Utilities support the Commission's desire to minimize impacts on Customers by implementing certain Division 21 rule changes in advance of the UM 2114 Stipulated Agreement expiring on October 1, 2022. As demonstrated in prior comments submitted to-date, most of the proposed Division 21 rule changes are broadly supported by the Joint Utilities. However, through comments submitted during the informal phase of this rulemaking, the Joint Utilities have raised concerns about unintended impacts associated with implementing a limited number of the proposed changes to the Division 21 rules.

In addition, the Joint Utilities are concerned that the Fiscal and Economic Impact cited in the Notice did not sufficiently recognize the incremental costs associated with the implementation of the proposed Division 21 rule modifications. The Notice cites that the charges not recovered from low-income customers, because of the respective proposed protections, may be included in a future rate case and may only result in "minimal increases to overall rates." The Notice goes on to state that these "rules maintain protections that were currently agreed to in a Stipulated Agreement (Docket UM 2114) that is set to expire October 1, 2022;" however, the scope of this rulemaking is far more expansive than the protections agreed to as part of the Stipulated Agreement in UM 2114. Similarly, the Cost of Compliance cited in the Notice highlights minimal impacts because these "protections would be carried forward from an agreement with the regulated utilities set to expire October 2022."

While to what degree varies among the Joint Utilities, a few of the proposed Division 21 rule changes will require Customer Information System (CIS) configuration modifications (some of which may take months to incorporate), as well as process changes, to implement the rules as proposed. As such, the Joint Utilities are concerned about their respective ability to comply with the modified Division 21 rules when a final determination will be made less than a month prior to the effective date of said rule modifications. Neither the time nor the cost required to implement such changes will be known until the Commission issues its determination on what the final Division 21 rules will require.

Comments Provided in the Informal Phase of the Division 21 Rulemaking

The comments presented below, in response to the third iteration of proposed Division 21 changes posted on May 23, 2022, in AR 653, further detail the Joint Utilities' concerns about unintended impacts associated with certain changes to collections processes, and disconnection and reconnection policies. These comments are unchanged from the Joint Utilities' comments filed on June 6, 2022; however, the Joint Utilities believed it prudent to submit these concerns during the formal rulemaking process.

Collection Process

Notice Communications
The Joint Utilities continue to be concerned about customer confusion in changing the requirement of a 15-day notice to a 20-day notice. Currently, each utility provides customers a grace period from when the bill is due until when a disconnection notice generates.[1] This grace period prevents customers who might pay their bill a few days late or mail in a check on the bill due date from receiving any past due reminders.

If the utilities are required to add an additional 5-days into the noticing process, some utilities will need to shorten that grace period in order to accommodate this change. This will cause customers who typically pay a few days late, to start receiving past due notices when they hadn't prior. For some utilities, this change would also result in a customer receiving a new disconnection notice before the utility is able to disconnect for the current notice. This would cause an inconsistent and confusing customer experience as the customer would not know how much they need to pay and by when. See attached visualizations of PGE's current 15-day notice process and two scenarios reflecting a 20-day notice process.

With the customer protections currently in place, customers can prevent receiving a notice or being disconnected through a myriad of ways such as setting up a Time-Payment Arrangement, seeking energy assistance, setting up a Preferred Due Date, etc.

[1] Table 1 of Staff's Report for the December 16, 2021 Special Public Meeting, Docket No. UM 2114.

It is also unclear if there is any data supporting that additional days in the process will result in a different outcome. The Joint Utilities believe requiring the 15-day notice be changed to a 20-day notice will cause unintended consequences and/or confusion for some customers, without clear benefits and recommend leaving the 15-day notice requirement intact.

Disconnection Timeframe
The electric utilities who can perform remote reconnections ask to be excluded from the requirement to perform service disconnections for non-payment between the hours of 8:00 am and 2:00 pm. Utilities with the capability to remotely reconnect are able to facilitate responsive, same-day reconnection of service within reason. There are different requirements for electric utilities with remote capabilities regarding reconnection fees, so it is reasonable to have differing rules in this scenario as well.

Collections at the Door
The Joint Utilities ask to seek clarification on the intent behind the addition to 860-021-0405 (11) regarding the requirement to provide 24 hours for a customer to make adequate payment.

Severe Weather Protections

The Joint Utilities appreciate the concerns expressed by the Joint Advocates regarding severe weather protections and continue to employ flexibility within OARs and utility policies to minimize disconnections. The Joint Utilities want to recognize, however, that by removing the word “high” from the current rule such that a moratorium would be in effect when the temperature forecast is below 32 degrees at any point in the day will make it very difficult for utilities to conduct credit disconnections in much of the Fall, Winter and even Spring. It is not uncommon for many cities in Oregon to have a 15–20 degree difference between the high and low projections and typically the low temperatures occur in the middle of the night when a utility would not be completing disconnections.

The Joint Utilities also recommend removal of the winter storm warning from Staff’s proposal as a storm warning can often be brief or a nonevent and ask to keep the rule objective. With the addition of reconnecting customers who were disconnected in the previous 72 hours of the severe weather moratorium, there could be customers who are disconnected and reconnected multiple times in a week if these additional protections are approved.

As Staff stated in their recommendation, these changes would make Oregon have one of the strongest severe weather moratoriums in the nation. The Joint Utilities do not believe this is necessary as Oregon is not known as a state with extreme weather. The Joint Utilities will always have the best intent to assist customers in severe weather situations and will always consider what is safe for its employees, customers, energy system, and the communities it serves when making decisions that affect customers’ service.

With this in mind, the Joint Utilities recommend modifying the existing language of having a moratorium when the forecasted high is below 32 degrees Fahrenheit to below 35 degrees Fahrenheit. This change would provide further customer protections in severe weather situations while not being impacted by a wide temperature swing throughout the day.

Summary

The Joint Utilities appreciate the opportunity to provide these comments and look forward to engaging in further conversations throughout this rulemaking.

Thank you,

/s/ Shawn Bonfield
Sr. Manager of Regulatory Policy & Strategy
Avista Utilities

/s/ Connie Aschenbrenner
Rate Design Manager
Idaho Power Company

/s/ Robert Meredith
Director, Pricing and Tariff Policy
PacifiCorp

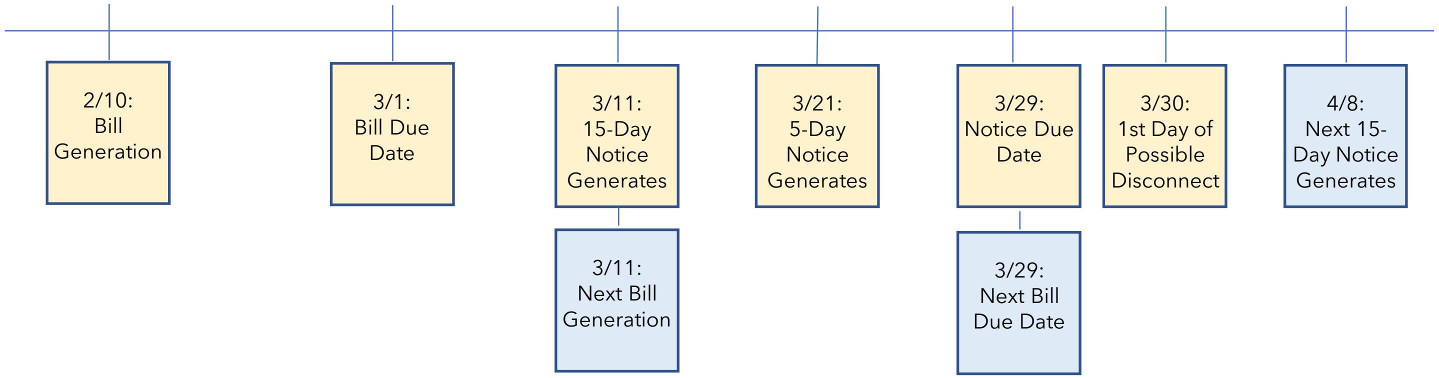
/s/ Christopher Mickelson
Manager, Regulatory Affairs
Cascade Natural Gas

/s/ Natasha Siores
Manager, Regulatory Affairs
NW Natural

/s/ Robert Macfarlane
Manager, Pricing & Tariffs
Portland General Electric Company

15-Day Notice (Current Process)

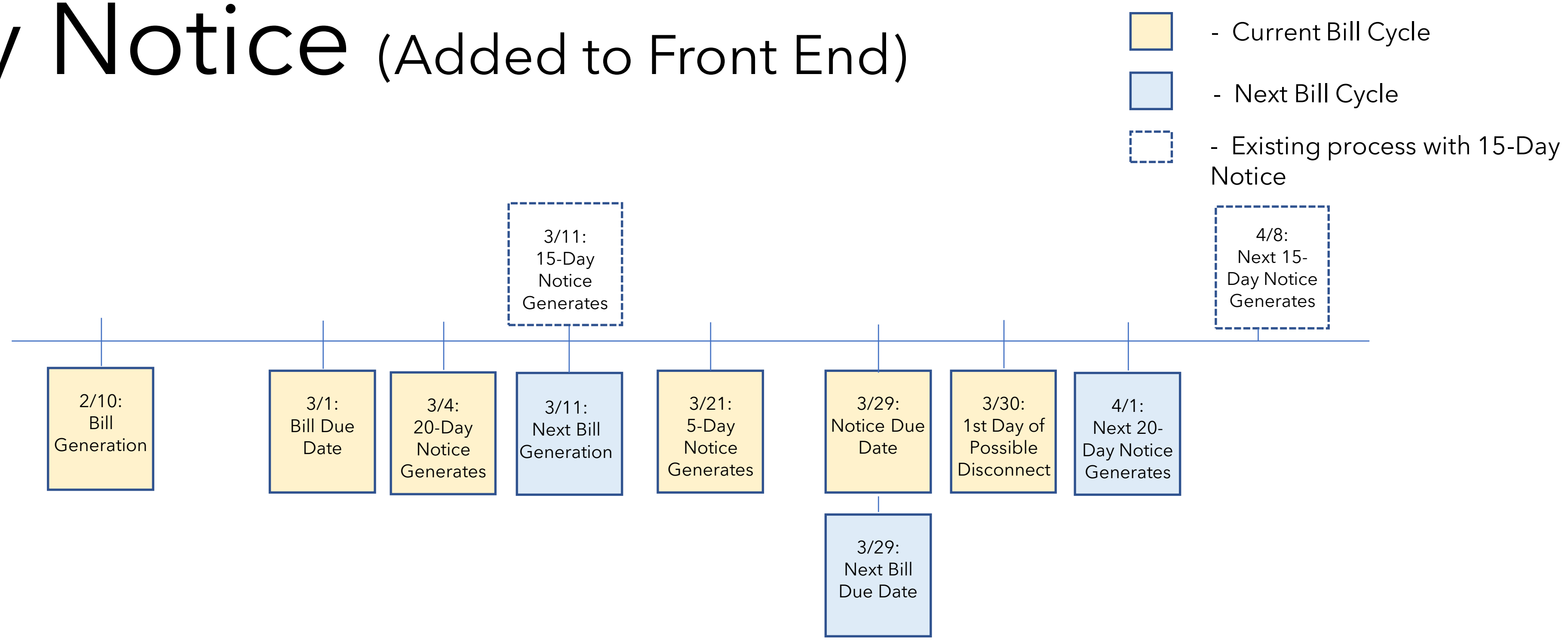
- Current Bill Cycle
- Next Bill Cycle



This timeline shows the current Billing & Collection timeline for a PGE customer:

- This customer's February bill was generated on 2/10, which gave them until 3/1 to pay by the due date
- They had until 3/11 to pay before they would receive a 15-day notice (which is almost a month from when they received the bill).
- The customer's March bill also generates on 3/11, notifying the customer they have a past due balance outstanding.
- On 3/21, this customer received another disconnection notice with the due date of 3/29, which is also when the March bill is due
- The first day of possible disconnect for the past-due February bill was 3/30
- On 4/8, the 15-day notice generates for the March bill

20-Day Notice (Added to Front End)

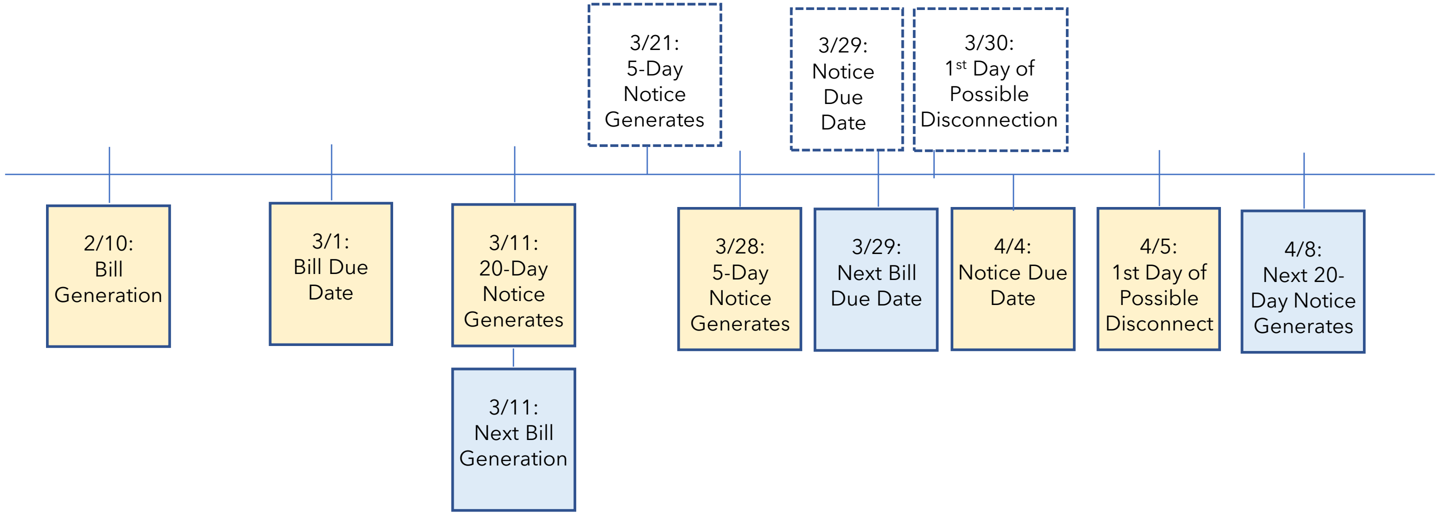


In order to add an additional 5-days to the existing noticing process, some utilities will have to shorten the current grace period provided to customers from when the bill is due to when a past-due notice generates.

- The timeline above shows the February bill generated on 2/10 and is due 3/1.
- A 20-day notice will generate on 3/4 in this scenario, instead of giving the customer a grace period until 3/11 before a 15-day notice would be generated.
- It is not uncommon to have customers pay a few days after their bill due date.
- Reducing this grace period could result in many customers receiving disconnection notices who regularly pay during the grace period today

20-Day Notice (Added to Back End)

- Current Bill Cycle
- Next Bill Cycle
- Existing process with 15-Day Notice



If a utility were to add the additional 5-days to the back-end of the Collection Process, it shortens the timeframe from when a utility can complete the disconnection before a new notice generates.

- This customer's February bill was generated on 2/10, which gave them until 3/1 to pay by the due date
- On 3/11, a 20-day notice generated as well as the customer's March bill
- On 3/28, this customer received another disconnection notice with the due date of 4/4 and the first day of possible disconnection for the past-due February bill was 4/5
- On 4/8, the 20-day notice generates for the March bill
- By adding an additional 5-days to the notice period, this will result in customers receiving new past due notices while still being in the credit/disconnection cycle for the previous notice and could create a false sense of security for the customer