PUBLIC UTILITY COMMISSION OF OREGON STAFF REPORT SPECIAL PUBLIC MEETING DATE: March 20, 2020

REGULAR	X CONSENT EFFECTIVE DATE	Upon Commission Approval
DATE:	March 19, 2020	
TO:	Public Utility Commission	
FROM:	John Crider	
THROUGH:	Bryan Conway	
SUBJECT:	AVISTA NATURAL GAS: (Docket No. ADV 1101) Request a change to Rule No. 9, Late Paymer	nt Charge to allow a

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Avista Natural Gas's (Company) request for a modification to Rule No. 9, Late Payment Charge to allow for temporary suspension of late charges for unpaid accounts with less than statutory notice.

temporary suspension of the Late Payment Charge.

DISCUSSION:

<u>Issue</u>

Whether the Commission should approve the Company's request to modify its tariff sheet in order to allow discretionary suspension of late charges for unpaid accounts.

Applicable Rule or Law

ORS 757.205, OAR 860-022-0025, and OAR 860-022-0030 establish rules for tariff changes and updates to rates. ORS 757.220 provides for less than 30 days' notice for a tariff change with good cause.

Docket No. ADV 1101 March 19, 2020 Page 2

<u>Analysis</u>

The language in Rule 9 states in part: "For balances between \$50 and \$200, a \$3 minimum late payment charge *will* be assessed" and "For balances over \$200, the charge *will* be based on a monthly late-payment rate applied to overdue account balances at the time of preparing the subsequent month's bill" (emphases added). The Company is requesting to change the language in the Rule, replacing the word "will" with the word "may", in order to provide discretion in applying the charge. This flexibility will allow the Company to temporarily waive late charges for unpaid accounts during the declared COVID-19 emergency.

Avista believes the requested tariff revisions to be in the best interest of its customers based on the rapidly evolving conditions caused by COVID-19, and therefore a practical show of good cause.

The Company filed the request to be approved with less than statutory notice as required by ORS 757.220. The Company claims "good cause" due to the request being in response to the declared COVID-19 emergency. Staff agrees with the Company's rationale for good cause.

Conclusion

Staff concludes that the Company's tariff modification request is warranted, is in the best interest of customers, and should be granted with less than statutory notice.

PROPOSED COMMISSION MOTION:

Approve Avista Natural Gas's request for a modification to Rule No. 9, Late Payment Charge to allow for temporary suspension of late charges for unpaid accounts with less than statutory notice.