

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: April 10, 2018

REGULAR CONSENT EFFECTIVE DATE April 11, 2018

DATE: April 2, 2018

TO: Public Utility Commission

FROM: Mitchell Moore *mpm*

THROUGH: *I* Jason Eisdorfer and *Jc* John Crider

SUBJECT: PACIFIC POWER: (Docket No. ADV 729/Advice No. 18-002) Updates Schedule 300 and Rule 11B, related to charges for collection activity.

STAFF RECOMMENDATION:

Staff recommends that PacifiCorp dba Pacific Power's filing docketed as ADV 729 be approved and the changes to the associated tariff and rule be allowed to go into effect with service rendered on and after April 11, 2018.

DISCUSSION:

Issue

Whether the Commission should approve PacifiCorp's (or Pacific or Company) filing, which seeks to add language to Rule 11B and add a Remote Reconnection Charge associated with the Company's new automated metering infrastructure (AMI).

Applicable Rule or Law

The Commission may approve tariff changes if they are deemed to be fair, just and reasonable. ORS 757.210. Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0025. OAR 860-022-0025(2) specifically requires that each energy utility changing existing tariffs or schedules must include in its filing a statement plainly indicating the increase, decrease, or other change made with the filing, the number of customers affected by the proposed change and the resulting change in annual revenue; and the reasons or grounds relied upon in support of the proposed change.

Filings that propose any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the change. ORS 757.220; OAR 860-022-0015.

OAR 860-022-0030(1) further requires that for tariff or schedule filings proposing increased rates, the utility must for each separate schedule, identify the total number of customers affected, the total annual revenue derived under the existing schedule, and the amount of estimated revenue which will be derived from applying the proposed schedule, the average monthly use and resulting bills under both the existing rates and the proposed rates that will fairly represent the application of the proposed tariff or schedules, and the reasons or grounds relied upon in support of the proposed increase.

Analysis

Background

PacifiCorp began deployment of AMI to Oregon customers in 2017, and will continue installation through 2019.

Beginning May 1, 2018, the Company expects to begin remotely disconnecting and reconnecting service without having to dispatch an employee in areas where AMI has been installed and the network is in place.

Current Filing

PacifiCorp filed this advice on February 22, 2018, and proposes to add a Remote Reconnection Charge of \$7.00 to Schedule 300 – Charges as Defined by Rules and Regulations. It also proposes adding language to Rule 11B to include terms describing remote reconnection charges. The remote reconnection fee is subject to the terms stated in Rule 11A for electric service disconnection due to non-payment by the customer.

PacifiCorp notes that not all meters will have the ability for remote access. Non-remote connection charges will still be required for customers who opt out of the installation of an AMI meter, for customers in areas in the process of deployment, and for customers with complex metering that requires technical expertise to safely disconnect and reconnect.

The proposed reconnection fee is based on the resources required to process the customer's initial request for a quote to have power turned on; no truck expense or field labor expense is necessary or included in the fee. The \$7.00 fee represents the average

cost of a call to PacifiCorp's call center. This calculation is derived from the labor, material, and operating costs for the call center and the number of phone calls received in the year 2017.

Staff reviewed the Company workpapers that contain the calculation supporting the proposed charge.

The proposed charges will affect only those customers that have their service disconnected due to customer default and will be reconnected remotely. As a point of comparison, a customer currently pays a reconnection charge of \$30 to be reconnected during normal business hours, and either \$75 or \$175 to be reconnected during non-regular business hours or on weekends and holidays. This filing would reduce that disconnection amount for the majority of PacifiCorp's customers.

Conclusion

Staff finds that the proposed charge to remotely reconnect service is based on actual costs associated with the activity, which the Commission may find to be just and reasonable. Staff recommends the filing be approved.

As well, Staff finds the changes to Rule 11B and Schedule 300 are appropriate and accurately represent the proposed charge.

PROPOSED COMMISSION MOTION:

Approve Pacific's filing and the changes to Schedule 300 and Rule 11B to take effect with service rendered on and after April 11, 2018.