



Oregon

Kate Brown, Governor

Public Utility Commission

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March 20, 2020



BY EMAIL

Avista Utilities

Linda Gervais

Linda.gervais@avistacorp.com

RE: Advice No. 20-03-G

At the public meeting on March 20, 2020, the Commission adopted Staff's recommendation in this matter docketed as ADV 1101. The Staff Report, a receipted copy of the sheets in your advice filing, and the signed LSN are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

ITEM NO. RA1

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

REGULAR 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 Payment Charge to allow a temporary suspension of the Late Payment Charge.

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.

DISCUSSION:

Issue

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.

Analysis

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.

AVISTA CORPORATION
dba Avista Utilities

RULE NO. 9 (continued)

RENDERING AND PAYMENT OF BILLS

- 2. If the customer has six months or more remaining on a time-payment agreement, the installment amount will be adjusted in order to bring the account into balance within the time period specified in the original agreement. If the customer has less than six months remaining on a time-payment agreement, the Company will recalculate the agreement to bring that account into balance within 12 months. The customer must pay any past due time-payment installments before the Company adjusts or recalculates the agreement. The Company may make more liberal payment arrangements for customers on medical certificates who cannot reasonably be expected to pay the outstanding balance in the time otherwise applicable under this rule.

G. Late Payment Charge

- 1. Payments not received by the next month's bill date will be considered late.
- 2. The late payment charge will not be applied to time-payment or equal-payment accounts that are current.
- 3. For balances less than \$50, no late payment charge will be assessed.
- 4. For balances between \$50 and \$200, a \$3 minimum late payment charge may be assessed. (C)
- 5. For balances over \$200, if charged, the late payment 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. The Commission determines the late-payment rate annually based on a survey of prevailing market rates for late-payment charges of commercial enterprises and advises all utilities by November 15, of each year what rate to use to determine late-payment charges on overdue customer accounts during the following calendar year. The current late-payment rate and the conditions for its application to customer accounts are specified on the utility bill. (C)
- 6. Payment received on the day of the next month's bill date may result in a Late Payment Charge on the next bill; however, this charge will be adjusted on the following bill.

Advice No. 20-03-G
Issued March 18, 2020

Effective For Service On & After
March 20, 2020

Issued by Avista Utilities
By

Patrick Ehrbar, Director of Regulatory Affairs



LESS THAN STATUTORY NOTICE APPLICATION

This document may be electronically filed by sending it as an attachment to an electronic mail message addressed to the Commission's Filing Center at puc.filingcenter@state.or.us.

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

IN THE MATTER OF THE APPLICATION OF)	UTILITY L.S.N. APPLICATION
Avista Corporation d/b/a Avista Utilities)	NO. <u>2255</u>
(UTILITY COMPANY))	(LEAVE BLANK)
TO WAIVE STATUTORY NOTICE.)	

NOTE: ATTACH EXHIBIT IF SPACE IS INSUFFICIENT.

1. GENERAL DESCRIPTION OF THE PROPOSED SCHEDULE(S) ADDITION, DELETION, OR CHANGE. (SCHEDULE INCLUDES ALL RATES, TOLLS AND CHARGES FOR SERVICE AND ALL RULES AND REGULATIONS AFFECTING THE SAME)
The purpose of this filing is to modify the language in Rule No. 9, Section G, Late Payment Charge, to allow Avista to suspend billing of the late payment charge during certain events.



2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM)
P.U.C. OR. No. 5, Original Sheet 9E, Section G, Late Payment Charge

3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM)
P.U.C. OR. No. 5, First Revision Sheet 9E, Section G, Late Payment Charge

4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE:

Avista Utilities is submitting this L.S.N. Application for Advice No. 20-03-G because the requested effective date of the tariff revisions provided is less than 30 days from the date of filing. In response to COVID-19, Avista seeks the ability to suspend the billing of late payment charges. The Company seeks to waive the statutory notice to implement this change as soon as possible.

5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S): March 20, 2020

. AUTHORIZED SIGNATURE 		TITLE Director of Regulatory Affairs	DATE 3/18/2020
PUC USE ONLY			
<input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DENIED		EFFECTIVE DATE OF APPROVED SCHEDULE(S) OR CHANGE 03/20/2020	
AUTHORIZED SIGNATURE 			DATE 03/20/20