



# Oregon

Kate Brown, Governor

**Public Utility Commission**

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December 29, 2020



BY EMAIL

Portland General Electric Company

Pge.opuc.filings@pgn.com

RE: Advice No. 20-44

At the public meeting on December 29, 2020, the Commission adopted Staff's recommendation in this matter docketed as ADV 1213. The Staff Report, a receipted copy of the sheets in your advice filing, and a signed LSN are attached.

Nolan Moser

Chief Administrative Law Judge

Public Utility Commission of Oregon

(503) 378-3098

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: December 15, 2020**

REGULAR  CONSENT  EFFECTIVE DATE January 1, 2021

**DATE:** December 9, 2020

**TO:** Public Utility Commission

**FROM:** Michelle Scala

**THROUGH:** Bryan Conway and John Crider **SIGNED**

**SUBJECT:** PORTLAND GENERAL ELECTRIC:  
(Docket No. ADV 1213/Advice No. 20-44)  
Updates Portland General Electric's Rule E, Establishing Credit /  
Treatment of Deposits related to the effects of the COVID-19 Pandemic on  
Customers.

**STAFF RECOMMENDATION:**

Approve Portland General Electric's (PGE or Company) proposed updates to Rule E, Establishing Credit / Treatment of Deposits, as described in Advice No. 20-44, effective for service rendered on and after January 1, 2021, on less than statutory notice.

**DISCUSSION:**

Issue

Whether the Oregon Public Utility Commission (Commission) should approve PGE's Advice No. 20-44, which updates its Rule E, Establishing Credit / Treatment of Deposits, effective for service rendered on and after January 1, 2021, on less than statutory notice (LSN).

Applicable Law

ORS 757.205 requires public utilities to file schedules showing all rates, tolls, and charges for service that have been established and are in force at the time. Pursuant to ORS 757.210, the Commission may approve tariff changes if they are deemed to be fair, just, and reasonable.

ORS 757.220 requires that any change to rates, tolls, charges, rules or regulations must be filed with the Commission at least 30 days before the effective date of the change. The Commission may allow changes with LSN where good cause is shown.

OAR 860-021-0126(1) provides, "Except as provided in section (2) of this rule, an energy or large telecommunications utility may apply a late-payment charge to customer accounts not paid in full each month, provided the utility has filed the late-payment charge in its rate schedule."

Under OAR 860-021-0200(2), an applicant or customer may be required to pay a deposit at the time of application for new or continued service.

OAR 860-022-0020 requires energy or large telecommunications utilities seeking to establish or change tariffs or rate schedules with LSN to use application forms approved by the Commission.

In Docket No. UM 2114, the Commission issued Order No. 20-401, approving a Stipulated Agreement addressing the effects of the COVID-19 pandemic on utility customers.

### Analysis

#### *Background*

PGE filed Advice No. 20-44 on December 3, 2020,<sup>1</sup> to update the Company's Rule E to conform to Commission Order No. 20-401.<sup>2</sup>

Rule E is PGE's set of terms and conditions for Establishing Credit and Treatment of Deposits related to services offered by the Company under Tariff PUC Oregon No. E-18.

PGE signed the Stipulated Agreement on the Effects of COVID-19 Pandemic on Energy Utility Customers (Stipulated Agreement), which includes a clause stating that Utilities will waive new deposit requirements associated with late or nonpayment, arrearages, or credit related issues for new or existing residential customers, through October 1, 2022.<sup>3</sup>

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<sup>1</sup> The Company submitted a supplemental filing with technical, non-substantive changes on December 15, 2020.

<sup>2</sup> In the matter of *Investigation into the Effects of the COVID-19 Pandemic of Utility Customers*, Docket No. UM 2114, Order No. 20-401 (November 5, 2020).

<sup>3</sup> Subject to change to a later date if separately extended outside the provisions of the Term Sheet.

Under Paragraph 11 of the Stipulated Agreement, “Utilities will not apply service disconnection and reconnection fees to residential customers until October 1, 2022.” Paragraph 12 of the Stipulated Agreement approved by the Commission states, “Utilities will not accrue and collect late payment fees, interest, and penalties for all residential customers retroactive to the date of the start of the Utility’s disconnect moratorium and through October 1, 2022.”

Per Paragraph 8 of the Stipulated Agreement, “Each Utility shall waive new deposit requirements associated with late or non-payment, arrearages, or credit related issues for new or existing residential customers, through October 1, 2022 (or later if separately extended outside the provisions of this Stipulated Agreement).”

The Stipulated Agreement was subsequently adopted at the Commission’s November 3, 2020, public meeting and Order No. 20-401 was issued shortly thereafter on November 5, 2020.

Due to the requested effective date and the less than 30-day notice, PGE also submitted an application requesting a waiver of legal statutory notice, pursuant to ORS 757.220 and OAR 860-022-0020.

#### *Staff Review*

The Company updates Rule E, Establishing Credit / Treatment of Deposits by adding a footnote stating that the Company will waive new deposit requirements associated with late or nonpayment arrearages or credit-related issues for new or existing residential customers through October 1, 2022.

While under OAR 860-021-0200(2), an applicant or customer may be required to pay a deposit at the time of application for new or continued service, PGE’s Rule E states “A deposit **is required** if...” Footnote 1 clarifies that new deposits will be waived by the Company in circumstances consistent with Order No. 20-401.

Regarding disconnection and late payment fees, PGE’s Rule E currently states, “Should disconnection for nonpayment of a deposit occur, the Customer is required to pay: the full amount of the unpaid deposit balance, any applicable Reconnection charge, Late Payment Charge, and 1/2 of any past due amount before service is restored.” Under Paragraph 8 of the Stipulated Agreement, PGE is required to waive new deposit requirements, and per paragraphs 11 and 12, reconnection and late payment charges are not applicable. PGE’s footnote 2 restates these terms.

These changes are intended to conform to Order No. 20-401 and notify customers of provisions to help protect and assist customers during the current COVID-19 pandemic and its related aftermath.<sup>4</sup>

Staff reviewed the proposed Rule E language, relevant administrative rules, and the Commission-approved Stipulated Agreement to ensure the proposed filing is accurate and consistent with applicable law. The Company provided Staff all requisite documents to perform the review and no additional informational requests were required.

### Conclusion

Staff finds that the updated language contained in PGE's Rule E is consistent with the Stipulated Agreement and recommends that the Commission approve the proposed tariff on LSN.

### **PROPOSED COMMISSION MOTION:**

Approve Portland General Electric's proposed updates to Rule E, Establishing Credit / Treatment of Deposits, as described in Advice No. 20-44, effective for service rendered on and after January 1, 2021, on LSN.

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<sup>4</sup> Executive Order 20-59, issued October 27, 2020, extends the State of Emergency related to the COVID-19 outbreak in Oregon through January 2, 2021.

- 3) A letter from the Applicant's employer, income provider or authorized representative verifying the Applicant's ability to pay. A letter from an employer must state that the Applicant is currently employed and has been employed the entire 12 months prior to the application, and must contain a telephone number for an authorized representative of the employer. The Company must be able to verify the Applicant's employment; or
- 4) Payment of a Deposit as detailed below in Section C.

C. **Residential Deposit Requirements**<sup>(1)</sup>

(C)

In general, the Commission Credit Rules require that deposits be equal to two months' estimated billings (1/6 of the estimated annual usage) at the service address. When a deposit is required, the charges specified in Schedule 310 may apply. A deposit is required if any of the following is true about the Applicant or Customer:

- 1) Does not establish credit as set forth in Subsections (1) through (3) of Section B above;
- 2) Received equivalent Electricity Service from the Company or the same type of utility service from an Oregon-regulated utility within the preceding 24 months and, at the time service was terminated, the Customer owed an account balance that was not paid according to its terms. This does not apply to Customers who registered a dispute with the Commission within 60 days after service terminated and who promptly paid all undisputed or adjudicated amounts;
- 3) Was previously terminated for Theft of Service by the Company or any Oregon-regulated utility or was otherwise found to have tampered with the meter, other utility facilities or diverted utility service;
- 4) Was previously exempted from paying a deposit based upon false information given at the time of application; or
- 5) Moves and the anticipated bill at the new residence will be at least 20% greater than that upon which any current deposit was based.

(1) The Company will waive new deposit requirements associated with late or nonpayment, arrearages, or credit related issues for new or existing residential customers, through October 1, 2022 as outlined in OPUC Order No. 20-401.

(N)  
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(N)

D. **Timing and Payment of Residential Deposit** <sup>(1)</sup>

(C)

An Applicant or Customer who is required to pay a deposit or additional deposit may:

- 1) Pay the deposit in full prior to receiving service;
- 2) Enter into an agreement to pay the deposit in three installments, except where a deposit is required to reconnect service after disconnection for nonpayment (OAR 860-021-0335), in which case the whole deposit is due prior to reconnection; or
- 3) Provide a letter of guaranty.

If the Applicant or Customer chooses to enter into a deposit installment agreement they must do so within five business days from the date of notice from the Company that a deposit is required. Except for the last payment, installments must be the greater of \$30 or 1/3 of the deposit. The Applicant or Customer must pay the first installment immediately. The remaining installments will be due 30 and 60 days after the first installment payment. If a Customer has an existing deposit on file with the Company, and an additional amount is being added to the deposit due, any additional installment payment(s) will be adjusted to include the additional deposit; however, two payments will not be required within the same 30 day period.

If a Customer fails to abide by the terms of a deposit installment agreement, the Company may disconnect service after making a good-faith effort to contact the Customer in person or by mailing a notice no less than six business days before disconnection. Should disconnection for nonpayment of a deposit occur, the Customer is required to pay: the full amount of the unpaid deposit balance, any applicable Reconnection charge, Late Payment Charge, and 1/2 of any past due amount before service is restored. The balance of the past due amount is to be paid within 30 days of the date service is restored. A Customer may continue with an existing time payment agreement by paying all past-due installments along with the full deposit and other applicable charges [OAR 860-21-0205(7)].

(1) The Company will waive new deposit requirements associated with late or nonpayment, arrearages, or credit related issues for new or existing residential customers, through October 1, 2022 as outlined in OPUC Order No. 20-401

(N)  
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(N)

F. **Treatment and Refund of Residential Deposits** <sup>(1)</sup>

(C)

The Company will furnish a receipt upon payment of deposit and will hold the deposit until credit is satisfactorily established or re-established. For the purposes of this section of the rule, credit is considered to be established or re-established if, at the end of 12 months after a deposit is paid in full:

- 1) The account is current;
- 2) The Customer has not been issued more than two 5 day disconnection notices during the previous 12 months; and
- 3) The Customer was not disconnected for nonpayment, meter tampering, or diversion of electricity service during the previous 12 months.

In the event the Customer moves to a new address within the Company's Service Territory and the Company is holding a deposit in accordance with this rule, the deposit, plus accrued interest, will be transferred to the new account.

G. **Interest Accrual**

Deposits will accrue interest at a rate prescribed by order of the Commission and set forth in Schedule 300. If a deposit is held beyond 12 months, accrued interest will be paid by a credit to the Customer's account on the next bill for service following the anniversary of the accrual date. Interest will be prorated on deposits held by the Company for less than a full 12 months.

H. **Delinquent Accounts**

When residential service is voluntarily closed, the Company will refund a Customer deposit with interest accrued at the rate as listed in Schedule 300, except that such refund will first be applied to reduce or eliminate any unpaid balance(s) on any other Customer account(s).

The Company is under no obligation to draw on deposits to cure delinquency of an active Customer account.

(1) The Company will waive new deposit requirements associated with late or nonpayment, arrearages, or credit related issues for new or existing residential customers, through October 1, 2022 as outlined in OPUC Order No. 20-401.

(N)  
|  
(N)

**LESS THAN STATUTORY NOTICE APPLICATION**      ADV 1213

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](mailto:puc.filingcenter@state.or.us).

**BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON**

IN THE MATTER OF THE APPLICATION OF  Portland General Electric Company _____ (UTILITY COMPANY)  TO WAIVE STATUTORY NOTICE.	) ) ) ) )	UTILITY L.S.N. APPLICATION  NO. <u>2273</u> _____ (LEAVE BLANK)
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**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 update PGE's Rule E Establishing Credit / Treatment of Deposits pursuant to the outline in the Staff Report approved by Order 20-401 included a recommendation that the Commission approve the Stipulated Agreement on the Effects of COVID-19 Pandemic on Energy Utility Customers.

2. APPLICANT DESIRES TO CHANGE THE SCHEDULE(S) NOW ON FILE KNOWN AND DESIGNATED AS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE, AND ITEM)  
 First Revision of Sheet No. E-2  
 First Revision of Sheet No. E-3  
 Second Revision of Sheet No. E-5

3. THE PROPOSED SCHEDULE(S) SHALL BE AS FOLLOWS: (INSERT SCHEDULE REFERENCE BY NUMBER, PAGE AND ITEM)  
 Second Revision of Sheet No. E-2  
 Second Revision of Sheet No. E-3  
 Third Revision of Sheet No. E-5

4. REASONS FOR REQUESTING A WAIVER OF STATUTORY NOTICE:  
 A Waiver of Statutory Notice is requested due to the requested effective date of January 1, 2021

5. REQUESTED EFFECTIVE DATE OF THE NEW SCHEDULE(S) OR CHANGE(S):      January 1, 2021

. AUTHORIZED SIGNATURE	TITLE s\ Robert Macfarlane Manager, Pricing & Tariffs	DATE December 3, 2020
PUC USE ONLY		
<input checked="" type="checkbox"/> APPROVED <input type="checkbox"/> DENIED	EFFECTIVE DATE OF APPROVED SCHEDULE(S) OR CHANGE 01/01/2021	
AUTHORIZED SIGNATURE 	DATE 12/29/20	