

ENTERED JUN 28, 2006

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 507

In the Matter of a Rulemaking Regarding)
Energy Utility Service.) ORDER

DISPOSITION: RULES ADOPTED

Procedural History. At its January 27, 2006, Public Meeting, the Commission adopted a temporary Oregon Administrative Rule (OAR) 860-021-0328, specifying when a natural gas utility must reconnect service after that service has been involuntarily disconnected.¹ The temporary rule was initiated on an emergency basis and only applied to natural gas service. The Commission directed the Commission staff (Staff) to conduct further research to determine if there should be a permanent rule and whether such a rule should address service connection and reconnection issues for both natural gas and electric service.

At the March 7, 2006, Public Meeting, Staff recommended that the Commission open a rulemaking to consider adoption of permanent rules addressing connections and reconnections for both natural gas and electric utilities. The Commission adopted Staff's recommendation and initiated the instant proceeding. On March 15, 2006, pursuant to statutory authority granted by ORS Chapters 183 and 756, a Notice of Proposed Rulemaking Hearing and a Statement of Need and Fiscal Impact to legislators were filed with the Archives Division of the Secretary of State, proposing to adopt new permanent rules OARs 860-021-0057 and 860-021-0328 and repeal temporary rule OAR 860-021-0328.

Staff conducted three informal workshops with interested persons, and written comments were filed with the Commission by PacifiCorp, Avista Corporation (Avista) and Northwest Natural Gas Company (NWN or NW Natural). Staff filed comments in reply, and NWN filed supplemental comments. A public hearing was held on the morning of May 3, 2006, and the record was closed at the end of the business day.

The Commission adopts the proposed new rules as modified and set forth in Appendix A to this order.

¹ Order No. 06-066 in Docket AR 505, entered February 6, 2006.

Staff's proposed new rule OAR 860-021-0328 also includes the following section:

(7) Utility fees for service reconnection must be charged as follows:

- (a) An applicant or customer must pay the utility's standard reconnection fee for a reconnection made under subsections (3)(a) or (3)(b) of this rule.
- (b) An applicant or customer must pay an After Hours Reconnect fee for any reconnection made under subsection (6)(a) of this rule. For an After Hours Reconnect that is completed the same day as the request, the reconnection fee will be higher than for an After Hours Reconnect scheduled for a subsequent day.

In its written comments, PacifiCorp notes its objection to Subsection (7)(b), stating that "...it would be reasonable to allow a utility the option of assessing a higher after hours reconnection fee for same day after hours reconnection for utilities that choose to do this but this should not be a requirement. Assessing a higher after hours reconnection fee for same day service adds more complexity and potentially confusion to an already complex set of rules. PacifiCorp recommends that the language of (7)(b) be modified to state that the reconnection fee may be higher for after hours work completed the same day versus after hours work scheduled for a subsequent day."⁴ (Emphasis in text.)

At the public hearing, NW Natural and PacifiCorp reiterated their concerns with respect to provisions of the proposed rules on which they had previously commented. After the hearing, both Staff and NWN filed additional comments.

In its Final Comments, Staff asserts that utilities have adequate scheduling flexibility under proposed Subsection (3)(a), adding that "Staff has accrued, through many years of experience, a good working understanding of the day-to-day operations of the energy utilities regulated by the Commission. Through that experience, Staff has also found that it is most effective when a utility is required to meet a standard for customer service that includes (for noncompliance) a consequence that matters to the utility. Staff continues to uphold that the proposed rules, reflecting a compromise reached by the majority of the participants in this docket, offer the best balance between the rights and responsibilities of both the utilities and their customers."⁵ Staff also rejects the modification to Subsection (7)(b) proposed by PacifiCorp, stating its belief that "[I]t is good public policy to ensure that customers who schedule a same day 'After Hours Reconnect' pay costs appropriate to that level of service."⁶

⁴ Pacificorp Comments, p. 2.

⁵ Staff's Final Comments, p. 2.

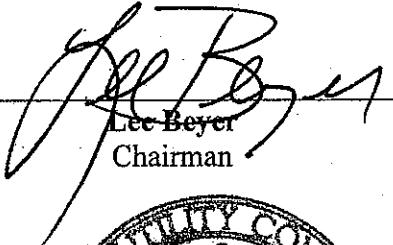
⁶ *Id.*

ORDER

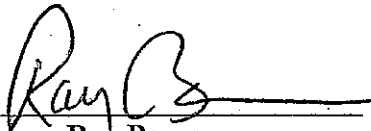
IT IS ORDERED that:

1. The new rules OAR 860-021-0328, Reconnection of Residential Utility Service and OAR 860-021-0057, Connection of Residential Energy Utility Service, are adopted as set forth in Appendix A attached to this order.
2. The new rules will be effective upon filing with the Oregon Secretary of State.
3. Temporary rule OAR 860-021-0328 is repealed on the effective date of these adopted rules.

Made, entered, and effective JUN 28 2006

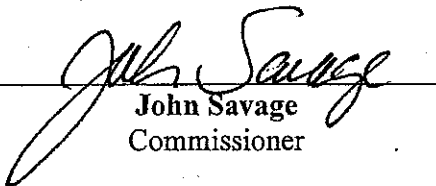


Lee Beyer
Chairman



Ray Baum
Commissioner





John Savage
Commissioner

A person may petition the Commission for the amendment or repeal of a rule pursuant to ORS 183.390. A person may petition the Court of Appeals to determine the validity of a rule pursuant to ORS 183.400.

860-021-0057

Connection of Residential Energy Utility Service

(1) This rule applies to the connection of energy service for an applicant or customer who has satisfied the requirements of all applicable rules and regulations, and requested connection. This rule applies for connection at a location with existing service facilities where the utility need only activate service, or after any necessary line extension, construction or repair work has been completed.

(2) Each energy utility must provide a means by which an applicant or customer may contact the utility on a Business Day so that the applicant or customer may pay applicable charges, submit any necessary credit information and request connection of service. For purposes of this rule, Business Day is defined as Monday through Friday, 8:00 a.m. to 5:00 p.m., excluding state- or utility-recognized holidays.

(3) An energy utility must connect service as soon as reasonably possible, within the normal course of business, after an applicant or customer has satisfied the requirements for and requested connection. At a minimum, service must be connected within two Business Days, except as provided in section (4) of this rule.

(4) This section only applies to a natural gas service connection that is completed between September 15 and November 15 of each year, at an address where the applicant received service at any time during the past 12 months that was disconnected, but not reconnected within 20 days. Service must be connected as soon as reasonably possible, within the normal course of business, after an applicant or customer has satisfied the requirements for and requested connection. At a minimum:

(a) Service must be connected within two (2) Business Days when the applicant's prior service at the address was disconnected from August 15 to November 15 of the current year.

(b) Service must be connected within five (5) Business Days when the applicant's prior service at the address was disconnected from November 16 of the previous year to August 14 of the current year.

(5) With Commission concurrence, the connection requirements under this rule may be temporarily waived for any cause not reasonably within the control of the utility including, but not limited to, the following:

(a) A documented Force Majeure event;

(b) An action or default by an applicant or other person outside of the utility's control, including a cancellation of the request made by the applicant or customer;

(c) Major events, such as storms or system outages;

(d) Safety-related issues that preclude the utility from connecting service;

(e) The applicant's facilities cannot be accessed due to circumstances beyond the utility's control;

(f) The utility's equipment or facilities prevent the reconnection from occurring; or

(g) When the Commission approves a waiver.

Stat. Auth.: ORS Ch. 183 & 756

Stats. Implemented: ORS 756.040

Hist.: NEW