

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

AR 529

In the Matter of Amendments to Oregon  
Administrative Rules 860-021-0305,  
860-021-0405, 860-021-0505,  
860-034-0180, and 860-034-0260

ORDER

DISPOSITION: RULES AMENDED

**I. INTRODUCTION**

In this order, we amend our existing rules to make clear that a utility may disconnect service when an applicant for utility service uses false identification to obtain service.

**II. PROCEDURAL HISTORY**

On September 12, 2008, the Public Utility Commission of Oregon (Commission) filed a Notice of Proposed Rulemaking Hearing (Notice) and Statement of Need and Fiscal Impact with the Secretary of State. On September 16, 2008, notice was provided to certain legislators specified in ORS 183.335(1)(d) and to all interested persons on the service lists maintained pursuant to OAR 860-011-0001. Notice of the rulemaking was published in the October 2008 *Oregon Bulletin*.

A public comment hearing was scheduled for October 28, 2008, and interested persons were given until the end of the business day on November 4, 2008, to submit written comments on the proposed amendments. Comments were submitted by the Public Utility Commission of Oregon Staff (Staff); Northwest Natural Gas Company, dba NW Natural (NW Natural); Avista Corporation, dba Avista Utilities (Avista Utilities); PacifiCorp, dba Pacific Power (Pacific Power); Verizon Northwest, Inc. (Verizon); Qwest Corporation (Qwest); Oregon Housing and Community Services (OHCS); Portland General Electric Company (PGE); the Community Action Partnership of Oregon (CAPO); and the Citizens' Utility Board of Oregon (CUB).<sup>1</sup> PGE also testified in support of the proposed rules at the public comment hearing.

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<sup>1</sup> CAPO and CUB filed comments jointly.

### III. ISSUES

#### A. Background

A utility may disconnect a customer's service for any of the various grounds listed in OAR 860-021-0305 and OAR 860-034-0180.<sup>2</sup> Generally speaking, these rules allow a utility to disconnect a customer for failure to establish credit; failure to pay for utility service; failure to abide by the terms of a time-payment agreement; and for various health, safety, or code-related reasons.<sup>3</sup> The substantive amendments proposed in this rulemaking address a utility's ability to disconnect a customer who provides the utility false identification.

Under the Commission's existing rules, an applicant seeking to establish utility service must first apply for service, provide the utility positive identification (if requested), and be accepted by the utility.<sup>4</sup> The applicant must then "establish credit."<sup>5</sup> If the applicant is unable to establish satisfactory credit, he or she may be required to post a deposit.<sup>6</sup>

Prior to 2003, an applicant could establish credit by providing the utility a monetary deposit, or, under some circumstances, by providing positive identification in lieu of a deposit. Prior to 2003, the only time an applicant was asked to provide the utility any positive identification was in the course of "establishing credit."<sup>7</sup> If the utility discovered that an applicant had submitted false identification to establish credit, the utility was authorized to disconnect the customer on an expedited basis, with only five days' notice of disconnection rather than the 15 days generally applicable to notices of disconnection.

In Order No. 03-550, the Commission eliminated provisions allowing applicants or customers to "establish credit" by providing identification. For various reasons, the rules were changed to require applicants or customers to establish credit through other methods, including credit reports, deposits, or other proof of ability to pay.<sup>8</sup> Applicants or customers may now be required to provide positive proof of identification before opening an account, but that identification requirement no longer has anything to do with the establishment of credit.

Although the Commission changed the rules for establishing utility service in Order No. 03-550, it inadvertently failed to change related rules governing

<sup>2</sup> OAR 860-021-0305 governs energy and large telecommunications utilities, and OAR 860-034-0180 governs small telecommunications utilities.

<sup>3</sup> See OAR 860-021-0305, OAR 860-034-0180. The utility may also disconnect a customer anytime the Commission approves disconnection. OAR 860-021-0305(7), OAR 860-034-0180(7).

<sup>4</sup> OAR 860-021-0009(3); OAR 860-034-0030(4).

<sup>5</sup> OAR 860-021-0009(2); OAR 860-034-0030(3).

<sup>6</sup> OAR 860-021-0200(2); OAR 860-034-0140(2).

<sup>7</sup> See, e.g., Order No. 90-1105 at 38. The theory behind requiring certain applicants to provide positive identification to "establish credit" was that positive identification allowed the utility to locate and demand payment from delinquent customers.

<sup>8</sup> See OARs 860-021-0200, 860-034-0140.

disconnection. Consequently, the existing disconnection rules state that a utility may disconnect a customer “[f]or failure to *establish credit* by . . . providing false identification or verification of identity.”<sup>9</sup> The rule no longer has meaning, however, because applicants no longer establish credit by providing identification.

This rulemaking is intended to correct this oversight in the Commission’s administrative rules and to bring the provisions relating to customer identification into alignment with related disconnection provisions. Amendments proposed in this rulemaking would clearly establish a utility’s right to disconnect service when a customer has used false identification in connection with establishing service, delinking the disconnection provision from the customer’s establishment of credit.

The rulemaking also involves some other minor changes to the rules. The proposed rules have been reorganized to make them easier to use, and the rulemaking makes a clarifying change to the time limits for providing notice of disconnection contained in OAR 860-021-0505 (commercial energy and large telecommunications utilities) and OAR 860-034-0260 (small telecommunications utilities) to make it clear that the time limits in the rules refer to “business” days, rather than “calendar” days.<sup>10</sup>

## **B. Comments and Resolution**

A number of commenters, including Staff, NW Natural, Avista Utilities, Pacific Power, PGE, and Verizon, either support the proposed changes or do not oppose them. OHCS, CAPO, and CUB, on the other hand, contend that the proposed rule changes may have some potentially negative impacts that should be ameliorated, and argue that the Statement of Need and Fiscal Impact fails to reflect the financial impacts of the rule. Finally, Qwest proposes several of its own additional modifications to the rules.

We first address the comments from OHCS, CAPO, and CUB, then address comments from Qwest. In the end, we adopt the proposed rule amendments with some minor changes.

### ***1. Challenges to the Statement of Need and Fiscal Impact and Enforcement Issues***

OHCS, CAPO, and CUB question whether the Statement of Need and Fiscal Impact accurately reflects the impacts of the proposed amendments. Specifically, they raise concerns that the revival of a utility’s ability to disconnect a customer who provides false identification will harm customers who lack the ability to verify their identification within the five-day notice period. These commenters also raise concerns about equal enforcement of the rules.

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<sup>9</sup> OAR 860-021-0305(1)(b) (emphasis added); OAR 860-034-0180(1)(b) (emphasis added).

<sup>10</sup> This makes the time limits for the rules at issue consistent with the parallel time limits found in OAR 860-021-0405 (residential energy).

a. *Comments*

OHCS acknowledges that utilities must be able to accurately identify potential customers and disconnect those who falsely represent themselves at the time of application. Nevertheless, OHCS states that the projected impacts for the amended rules fail to account for impacts on individuals who cannot produce the identification necessary to reestablish utility service within the proposed five-day grace period. According to OHCS, members of low-income households are less likely to have identification or documentation necessary to verify their identity in an expedited manner, and are thus more likely to have their service disconnected. As a result, OHCS believes these individuals may have immediate public health and safety needs, particularly related to the loss of their primary source of heating.<sup>11</sup> According to OHCS, the public health and safety costs associated with the disconnections will be borne by other ratepayers, state agencies, local government, and community organizations.<sup>12</sup> OHCS recommends that the Commission conduct further analyses of the potential public health and safety impacts associated with the proposed amendments before approving the rule changes.

OHCS is also concerned that the proposed amendments may disproportionately impact low-income customers and the agencies who serve them.<sup>13</sup> OHCS explains that because the Statement of Need and Fiscal Impact indicates the amendments will have no economic impact on utilities, it must be assumed that utilities do not plan to spend the time and money to review the identity of every customer in their databases, but will verify identity only in “cases which demand additional utility-customer interaction; namely accounts requiring debt management or collection.”<sup>14</sup> According to OHCS, this method inherently targets low-income customers, who experience higher incidence of payment problems and arrearages than other customers. OHCS therefore recommends inclusion of language that prevents low-income consumers from bearing the disproportionate impacts of enforcement associated with the rule.

CAPO and CUB have similar concerns, arguing that if utilities want to make sure the right persons are named on accounts, all customers should be required to provide positive identification, not just some customers.<sup>15</sup> They argue that verifying identification

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<sup>11</sup> OHCS also notes that individuals wishing to resume utility service with their real identity may have large arrearages associated with old accounts, potentially keeping them from re-establishing credit. This could place low-income families in a “double jeopardy” of sorts. Individuals wishing to update an account are faced with a choice between disconnection due to fraud or disconnection due to their inability to pay down old debt. OHCS Comments at 1-2 (Nov 4, 2008).

<sup>12</sup> OHCS states that, “[u]p to 25% of families who lose their primary source of heating use unsafe methods to keep themselves warm \* \* \*. A short term lack of hot water, refrigeration, and cooking capacity can result in lost wages for adults and missed school for children. Families without power, even temporarily, often face housing insecurity and eviction.” *Id.*

<sup>13</sup> OHCS explains that it serves as designated administrator of both the Federal LIHEAP and ratepayer funded Oregon Energy Assistance Programs.

<sup>14</sup> OHCS Comments at 2.

<sup>15</sup> CAPO and CUB state that, “[a]n unknown number of utility accounts are currently in the names of individuals who have passed away, changed their names, or are in the names of individuals who have moved away. Frankly, we do not believe this is of great concern to the utilities so long as the utility bills

for all customers will take time and money, so the Statement of Need and Fiscal Impact should reflect the costs of this requirement. They also argue that utilities should be restrained from an undue reliance on outside entities, such as social service agencies, as “quasi-agents” in the search for existing customers who are not properly identified.

Staff does not share the concerns raised by OHCS, CAPO, and CUB. Staff notes that presently, utilities are allowed to ask applicants for valid identification before accepting them for service. If a utility suspects that false identification may have been used to establish service, it will conduct an investigation and often require the customer to verify identification. Staff explains that this practice does not inherently target low-income consumers, as any customer may be subject to this review. According to Staff, none of the rules that relates to disconnection and identification requirements has fundamentally changed with this rulemaking. “The Commission has clearly established that utilities have a right to require valid ID. The recommendations of OHCS [and CAPO/CUB] would threaten that long established principle.”<sup>16</sup>

Staff also disagrees with the assertion that the proposed amendments would result in inappropriate disconnection efforts. According to Staff, this rulemaking does not change the existing five-day notice requirement period, which is already reflected in the existing rules (OARs 860-021-0405, 860-021-0505, and 860-034-0260). Staff asserts that customers who are disconnected for nonpayment have always been subject to paying delinquent arrearages in order to have service restored.

*b. Resolution*

The key concern raised by OHCS, CAPO, and CUB is that utilities will use the clarified disconnection rules as an excuse to harass and possibly disconnect existing customers, particularly targeting those who have fallen behind in their payments.

We first note that the justification for allowing utilities to disconnect those who provide false identification is clear: identity theft harms those whose identities are stolen; it harms utilities, who cannot collect payment from the victims of identity theft; and it harms other customers, whose rates may ultimately be impacted by lost revenue.

Second, we do not believe proposed rules result in significant policy changes. The Commission’s policy allowing disconnection for providing false identification is not new. Prior to 2003, utilities had clear authority to disconnect customers who falsely represented their identities. Since then, our rules have both allowed utilities to request identification from customers and continued to reference a utility’s authority to disconnect customers who provide false identification, though that disconnection authority is expressed in flawed language. In short, this rulemaking does not

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are being paid.” CAPO and CUB Comments at 1 (Nov 4, 2008). But if the utilities do care about getting the correct names associated with accounts, CAPO and CUB argue, they should aggressively update their entire databases.

<sup>16</sup> Staff’s Corrected Responsive Comments at 3 (Nov 4, 2008).

implement new or untested policy. It simply clarifies that policy, which to some extent has been enforced in a de facto manner despite the existing problems with our rules.<sup>17</sup>

We emphasize that the proposed modifications to the rules are not intended to allow utilities to purge their systems of customers who have payment difficulties. The rules are intended to allow utilities to disconnect the limited class of applicants who intentionally misrepresent their identities, and we would expect utilities to use the tool only under those circumstances.

Finally, we believe the concern that utilities will use the new rules to disconnect a significant number of customers is unfounded. Utilities have little motivation to purge their customer rolls. To the extent utilities may wish to disconnect customers who fail to pay their bills, Staff correctly notes that utilities have always had the ability to disconnect customers who fail to pay their utility bills or to abide by the terms of time-payment agreements.<sup>18</sup> In short, we do not believe the amendments at issue here open any significant avenues for disconnection that utilities do not already have with respect to nonpaying customers, low-income or otherwise.

Despite our belief that the concerns of OHCS, CAPO, and CUB are unfounded, we will nevertheless make one change to the time requirements for disconnection of residential electric and natural gas customers to ensure that their concerns are addressed. For this subset of customers, we will limit the shorter, five-day notice period for disconnection to customers establishing new service. Specifically, the five-day notice period will apply during the first 60 days of a customer's service. This will provide utilities the tools necessary to quickly disconnect service in connection with new accounts, when false identification is most likely to be provided by applicants and discovered by the utility. For established customers with a payment history with the utility, the ordinary 15-day notice period for disconnection will apply. This longer time period will ensure that established customers who are asked to verify their identities have an adequate time to obtain identification before losing service.<sup>19</sup>

We find these changes strike an appropriate balance between the needs of established customers, who may need extra time to procure proof of identity, and utilities, who need clear authority to disconnect customers who intentionally misrepresent their identities.

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<sup>17</sup> It appears that a number of utilities have failed to notice the disconnect in our rules and have continued to disconnect customers for providing false identification. To some extent, then, the Commission's intention to allow utilities to disconnect such customers has been continuously enforced in a de facto manner.

<sup>18</sup> See OARs 860-021-0305(5), (6), 860-034-0180(5), (6).

<sup>19</sup> The Commission's rules provide a number of ways for customers to verify their identities. See OARs 860-021-0009(3), 860-034-0030(4).

## 2. *Grounds for Disconnecting Utility Service—Co-Customers*

Qwest proposes deleting OAR 860-021-0305(5) from the proposed rules. Under that provision, service may be disconnected:

[w]hen the customer requests the utility to disconnect service or close an account or when a co-customer fails to reapply for service within 20 days after a joint account is closed by the other co-customer, so long as the utility has provided a notice of pending disconnection.

### a. *Comments*

Qwest argues that if a “co-customer” orders disconnection of service and is listed as the responsible party with another person, it would be administratively burdensome for the utility to contact the other “co-customer” with advance written notice before disconnecting the service. Qwest argues that such a situation would be best handled as a change of responsibility on the account and thus proposes deleting the above provision.

PGE supports the current proposed rule language, arguing that noticing the premises where the joint account is established of the potential for disconnection prompts the remaining customer to call and sign up for service, thus saving costly expenditures for disconnecting and reconnecting service. Staff also supports the current proposed rule language, arguing that the provision is not new, and the rulemaking notice proposed reorganizing it, not changing it.

### b. *Resolution*

We decline to adopt Qwest’s proposal to delete proposed OAR 860-021-0305(5). As Staff notes, this provision has long been part of the Commission’s rules and has simply been moved. Deletion of the provision is beyond the scope and stated purpose of this rulemaking.

## 3. *Email Notice of Pending Disconnection*

Qwest proposes some additional modifications to OAR 860-021-0505, which describes disconnection procedures for all commercial electric and gas utility customers and all customers of large telecommunications utilities.

The Commission’s proposed revisions to OAR 860-021-0505(2) are organizational in nature and read as follows:

(2) ~~At least five days before an energy or large telecommunications utility disconnects service for nonpayment for services rendered, the~~ The energy or large telecommunications utility must provide written notice to the customer

at least five business days before disconnecting service except when the disconnection is made: ~~a written notice of the disconnection.~~

Qwest proposes that the term “written” in the third line of OAR 860-021-0505(2), cited above, should be modified by the phrase “which may include e-mail notification upon customer request.”

*a. Comments*

Qwest argues that allowing a notice of disconnection to be served by email, rather than first class mail (at the option of the customer), will ensure that Qwest’s e-billed customers receive proper notice of disconnection. Qwest states that it has e-billed customers who may choose to receive all communications from it electronically, including notices of disconnection.<sup>20</sup>

PGE believes that allowing notices to be sent electronically is appropriate because customers now frequently interact with business via computer. PGE supports a customer’s ability to receive information via email if requested.

CAPO, CUB, and Staff argue that email should not be the sole means by which utilities notify customers of potential disconnection. They state that “phishing” scams may lead customers to dismiss email notices as potential scams, or spam filters may divert the emails. They argue that disconnection is too important to rely solely on electronic notice. Staff adds that if an e-bill customer is in danger of having local telephone service disconnected, the customer’s internet service may well have been disconnected already, making it impossible for a customer to receive the emailed disconnect notice. Finally, Staff notes, this proposed change has no direct connection to the stated purpose of the rulemaking.

*b. Resolution*

We agree that providing a customer a notice of disconnection solely via email is problematic. Spam filters or disconnection of internet services may prevent a customer from receiving a notice in a timely fashion. Given the importance of a notice of disconnection, we conclude that utility should provide a customer physical written notice of disconnection. Certainly a utility may choose to contact a customer via email *in addition* to sending the notice required by this section, but an emailed notice may not serve as the sole notice of disconnection.<sup>21</sup>

<sup>20</sup> Qwest suggests the same change for OAR 860-034-0260(2), a similar provision applicable to commercial and residential utility customers.

<sup>21</sup> In connection with this proposed modification, Qwest proposed a number of additional changes to other sections of our rules intended to conform those sections to Qwest’s proposed modification regarding notice by email. Because we reject Qwest’s proposal to allow emailed notice to suffice as the sole means of notifying a customer of disconnection, we reject Qwest’s related proposals. These include Qwest’s proposals to modify the notice language in the proposed amendments to OARs 860-034-0260(3), 860-034-0260(5), and 860-021-0505(5).



#### 4. *Grounds for Disconnection without Notice*

OAR 860-021-0505 and OAR 860-034-0260 list two situations in which a utility may disconnect a customer without notice: (1) at the request of the customer, or (2) when the facilities provided are unsafe creating an emergency endangering life or property under OAR 860-021-0315. No other exceptions exist, nor do the Commission's proposed amendments seek to add any new exceptions. Nevertheless, Qwest recommends adding another ground for disconnecting a customer without notice: when "the customer establishes service through identity theft, (i.e. intentionally using another person's valid name and Social Security number to establish service)."

##### a. *Comments*

Qwest argues that this new reason for disconnection without notice would be useful in those circumstances where the customer is committing a fraudulent act by knowingly using a real Social Security number and name of another person.

Staff and PGE oppose the addition of another exception to the notice requirement. Staff believes that customers should always be given the opportunity to verify their identities *before* service is disconnected, and believes that the existing notice requirement is fair both to customers and utilities. Staff notes that if Qwest's proposal were implemented, customers could be disconnected without notice through no fault of their own, but through the utility's error. PGE agrees with Staff that the existing notice requirements are appropriate.

##### b. *Resolution*

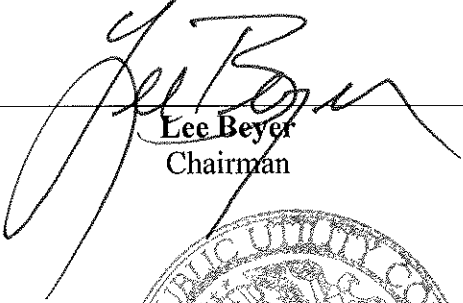
We reject Qwest's suggestion that we add to our rules another ground for disconnecting a customer without notice. Adding another ground for disconnection is outside the scope of this rulemaking, and, in any case, we believe that the notice requirements in the modified rules are fair both to the customer and the company.

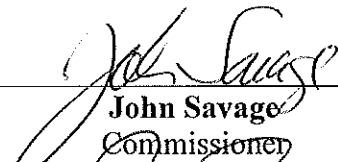
**ORDER**

IT IS ORDERED that:

1. The modifications to OARs 860-021-0305, 860-021-0405, 860-021-0505, 860-034-0180, and 860-034-0260 as set forth in Appendix A are adopted.
2. The rule amendments become effective upon filing with the Secretary of State.

Made, entered, and effective           AUG 24 2009          .

  
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**Lee Beyer**  
Chairman

  
\_\_\_\_\_  
**John Savage**  
Commissioner

  
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**Ray Baum**  
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.

**860-021-0305****Grounds for Disconnecting Utility Service**

Utility service may be disconnected by an energy utility or large telecommunications utility:

- (1) ~~For~~ When the applicant or customer fails ~~sure to establish credit by:~~  
 (a) ~~Failing to~~ pay a deposit or make payments in accordance with the terms of a deposit payment arrangement, ~~(OAR 860-021-0206); or~~  
 (b) ~~(2) When the applicant or customer p~~ roviding false identification to establish service, continue service, or verification of identity.
- (3) When the customer fails to pay Oregon tariff or price-listed charges due for services rendered.
- (4) When the customer fails to abide by the terms of a time-payment agreement.
- (5) When the customer requests the utility to disconnect service or close an account or when a co-customer fails to reapply for service within 20 days after a joint account is closed by the other co-customer, so long as the utility has provided a notice of pending disconnection.
- ~~(26) When facilities provided are unsafe or do not comply with state and municipal codes governing service or the utility's rules and regulations (OAR 860-021-0335); or when the customer does not cooperate in providing access to the meter (OAR 860-021-0120).~~
- ~~(3) When a customer requests the utility to disconnect service or close an account (OAR 860-021-0310) or when a co-customer fails to reapply for service within 20 days after a joint account is closed by the other co-customer, so long as the utility has provided a notice of pending disconnection.~~
- (7) When facilities provided are unsafe or do not comply with state and municipal codes governing service or the utility's rules and regulations.
- (8) When there is evidence of meter-tampering, diverting service, or other theft of service.
- ~~(49) When dangerous or emergency conditions exist at the service premises under (OAR 860-021-0315).~~
- ~~(5) For failure to pay Oregon tariff or price-listed charges due for services rendered (OAR 860-021-0405 and OAR 860-021-0505); or by meter-tampering, diverting service, or other theft of service.~~
- ~~(6) For failure to abide by the terms of a time-payment agreement (OAR 860-021-0410(6), 860-021-0415(5), and OAR 860-021-0510).~~
- (710) When the Commission approves the disconnection of service.

Stat. Auth.: ORS 183, ORS 756, ORS 757, ORS 759 & Ch. 290, OL 1987

Stats. Implemented: ORS 756.040, ORS 757.035, ORS 757.225 & ORS 757.760

Hist.: PUC 6-1979, f. & ef. 10-6-79 (Order No. 79-680); PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); Renumbered from 860-021-0075; PUC 8-1983, f. & ef. 8-15-83 (Order No. 83-502); PUC 3-1989, f. 2-6-89, cert. ef. 2-8-89 (Order No. 89-038); PUC 16-1990, f. 9-28-90, cert. ef. 10-1-90 (Order No. 90-1105); PUC 11-1995, f. & cert. ef. 11-27-95 (Order No. 95-1217); PUC 11-1998, f. & cert. ef. 5-7-98; PUC 16-2001, f. & cert. ef. 6-21-01

**860-021-0405**

**Notice of Pending Disconnection of Residential Electric or Gas Utility Service**

(1) When a written notice is given under these rules:

(a) The notice must conform to the requirements of OAR 860-021-0010 concerning multilingual requirements and service on any designated representative; and

(b) The notice must conform to the requirements of OAR 860-021-0326 if the energy utility's records show the billing address is different than the service address or the residence is a master-metered multi-family dwelling. The notice may be addressed to "tenant" or "occupant." The envelope must bear a bold notice stating, "Important notice regarding disconnection of utility service," or words to that effect.

(2) The notice must be printed in boldface type and must state ~~in easy to understand language~~ **in language that is as clear and simple as possible:**

(a) The reason for the proposed disconnection;

~~(b) The amount to be paid to avoid disconnection;~~

~~(e) The earliest date for disconnection;~~

~~(d) An explanation of the time payment agreement provisions of OAR 860-021-0415;~~

~~(e) An explanation of the medical certificate provisions of OAR 860-021-0410;~~

~~(f) The name and telephone number of the appropriate unit of the Department of Human Services or other agencies which may be able to provide financial aid; and~~

~~(g) An explanation of the Commission's complaint process and toll-free number; and~~

**(d) If the disconnection is for nonpayment of services rendered, including failure to abide by a time payment agreement, the notice must also state:**

**(A) The amount to be paid to avoid disconnection;**

**(B) An explanation of the time payment agreement provisions of OAR 860-021-0415;**

**(C) An explanation of the medical certificate provisions of OAR 860-021-0410; and**

**(D) The name and telephone number of the appropriate unit of the Department of Human Services or other agencies that may be able to provide financial assistance.**

(3) **The energy utility must provide written notice to the customer** ~~At least 15 days before an energy utility may disconnecting a residential service~~ **except when the disconnection is made:**

**(a) At the request of the customer;**

**(b) For failure to pay a deposit or make payments in accordance with the terms of a deposit payment arrangement;**

**(c) For new customers within 60 days of the establishment of new service, for use of false identification to establish service, continue service or verify identity;**

**(d) For meter tampering, diverting service or theft of service; or**

**(e) For an emergency endangering life or property under OAR 860-021-0315.**  
~~customer for nonpayment for services rendered, the energy utility must provide~~

~~written notice to the customer. A 15-day notice is not required when disconnection is for failure to establish credit or theft of service.~~

(4) The energy utility may not send a notice of disconnection for nonpayment of services rendered, including failure to abide by a time payment agreement, before the due date for payment of a bill.

(5) The energy utility ~~may~~must serve the 15-day notice of disconnection in person or send it by first-class mail to the customer's last known address. Service is complete on the date of personal delivery or, ~~if the notice is delivered by US Mail, service is complete on the day after the date of the US Postal Service postmark or on the day after the date of postage metering.~~

(6) The energy utility must provide written notice to the customer ~~at least five business days before the proposed disconnection date, the energy utility must mail or deliver a written disconnection notice to the customer. residential service except when the disconnection is made:~~

(a) At the request of the customer;

(b) When the facilities provided are unsafe creating an emergency endangering life or property under OAR 860-021-0315.

(7) The disconnection notice must inform the customer that service will be disconnected on or after a specific date and must explain the alternatives and assistance that might be available as required in section (2) of this rule; ~~or~~

~~(b) If notification is delivered to the residence, the energy utility must attempt personal contact. If personal contact cannot be made with the customer or an adult resident, the energy utility must leave the notice in a conspicuous place at the residence.~~

(8) The energy utility must serve the five-day notice of disconnection in person or send it by first-class mail to the customer's last known address. Service is complete on the date of personal delivery or, ~~if the notice is delivered by US Mail, service is complete on the day after the date of the US Postal Service postmark or on the day after the date of~~ postage metering.

~~(a) The disconnection notice must inform the customer that service will be disconnected on or after a specific date and must explain the alternatives and assistance that might be available as required in section (2) of this rule; or~~

~~(b)~~ If notification is delivered to the residence, the energy utility must attempt personal contact.

(b) If personal contact cannot be made with the customer or an adult resident, the energy utility must leave the notice in a conspicuous place at the residence.

~~(7)~~ The energy utility must make a good-faith effort to personally contact the customer or an adult at the residence to be disconnected on the day the energy utility expects to disconnect service or, where the service address has remote disconnection capability installed, at least three ~~(3)~~ business days prior to the day the energy utility expects to disconnect service:

(a) If contact is made, either in person or via the telephone, the energy utility must advise the customer or an adult at the residence of the proposed disconnection; or

(b) If contact is not made, the energy utility must:

(A) Leave a notice in a conspicuous place at the residence informing the customer that service has been, or is about to be, disconnected; or

(B) Attempt to contact the customer at a service address where remote disconnect capability is installed via the telephone at least twice a day for the three consecutive days prior to the proposed disconnection, and at least one call must be placed during the morning or afternoon (8:00 am to 5:00 pm) and another call placed during early evening (6:00 pm to 8:00 pm). Where an answering machine or service is available, the utility must leave a message at the end of each calling day informing the customer of the proposed disconnection. Initial implementation of section 7(b)(B) may not occur during the winter heating season (November 1 through April 30).

**(810)** When an energy utility has an in-person or telephone conversation with the customer or an adult at the residence under this rule, and the circumstances are such that a reasonable person would conclude the customer or an adult at the residence does not understand the possible consequences of disconnection, the utility must:

- (a) Notify the Department of Human Services and the Commission; and
- (b) Delay the proposed disconnection date for five additional business days.

**(911)** When the energy utility makes personal contact under this rule, the utility's representative making contact is empowered to accept reasonable partial payment of the overdue balance under the time-payment provisions of OAR 860-021-0415.

**(1012)** An energy utility must document its efforts to provide notice under this rule and make that documentation available to the customer and the Commission upon request.

Stat. Auth.: ORS 183, 756 & 757

Stats. Implemented: ORS 756.040 & 757.760

Hist.: PUC 6-1979, f. & ef. 10-6-79 (Order No. 79-680); PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); Renumbered from 860-021-0085; PUC 16-1990, f. 9-28-90, cert. ef. 10-1-90 (Order No. 90-1105); PUC 11-1998, f. & cert. ef. 5-7-98; PUC 4-1999, f. & cert. ef. 8-12-99; PUC 16-2001, f. & cert. ef. 6-21-01; PUC 7-2005, f. & cert. ef. 11-30-05; PUC 4-2006, f. & cert. ef. 2-27-06

## **860-021-0505**

### **Disconnection Procedures for All Commercial Electric and Gas Utility Customers and All Customers of Large Telecommunications Utilities**

(1) This rule applies to the involuntary termination of all commercial electric and natural gas customers and all utility services provided by large telecommunications utilities.

(2) ~~At least five days before an energy or large telecommunications utility disconnects service for nonpayment for services rendered, the~~ The energy or large telecommunications utility must provide written notice to the customer at least five business days before disconnecting service except when the disconnection is made: a written notice of the disconnection.

(a) At the request of the customer; or

(b) When the facilities provided are unsafe creating an emergency endangering life or property under OAR 860-021-0315.

(3) The notice must be printed in bold face type and must state ~~in easy to understand language, in language that is as clear and simple as possible:~~

- (a) The reasons for the proposed disconnection;
  - (b) The earliest date for disconnection;
  - (c) The ~~energy or large telecommunications utility shall prominently identify the amount necessary~~ to be paid to avoid disconnection of regulated services;
  - (d) An explanation of the Commission's complaint process and the Commission's toll-free number; and
  - (e) An explanation of the availability of an emergency medical certificate for local exchange residential telecommunications service customers under OAR 860-021-0510.
- (4) The energy or large telecommunications utility may not send the notice before the due date for payment for the services billed.
- (5) The energy or large telecommunications utility ~~may~~**must** serve the notice of disconnection in person or send it by first class mail to the last known addresses of the customer and the customer's designated representative. Service is complete on the date of personal delivery or, if service is by U S Mail, on the day after the U S Postal Service postmark or the day after the date of postage metering.
- (6) If a premises visit is required to complete disconnection, the energy or large telecommunications utility must make a good-faith effort to personally contact the customer or a resident at the service address to be disconnected. If the energy or large telecommunications utility's attempt to make personal contact fails, the utility must leave a notice in a conspicuous place at the premises informing the customer that service has been disconnected.
- (7) In lieu of permanent disconnection, a large telecommunications utility may temporarily curtail service by preventing the transmission of incoming telephone messages and/or outgoing toll messages while continuing to let the customer make outgoing local messages. Temporary curtailment of service, as defined in this section, shall be permitted only upon five days' written notice as set forth in section (3) of this rule. The notice shall state that permanent disconnection will follow within ten days unless the customer makes full payment of any overdue amount or any other obligation.
- (8) Except for telecommunications service provided by an office incapable of restricting toll service, a large telecommunications utility shall not disconnect or deny local exchange service for an applicant's or customer's failure to pay for services not under the local exchange utility's tariff or price list. A telecommunications utility may limit access to toll and special services using the "9XX" prefix or Numbering Plan Area (NPA) for the failure to pay for such services.
- (9) A large telecommunications utility may not disconnect or deny local service to customers or applicants, who are eligible to receive OTAP, for failure to pay toll charges.
- (10) A large telecommunications utility may request a limited waiver of the requirement of section (9) of this rule upon meeting all the following conditions:
- (a) Showing the large telecommunications utility would incur substantial costs in complying with the requirement;
  - (b) Demonstrating the large telecommunications utility offers toll-blocking services to customers identified in section (9) of this rule; and
  - (c) Showing that telecommunications subscribership among low-income customers in its service area in Oregon is at least as high as the national subscribership level for low-income customers.

Stat. Auth.: ORS 183, ORS 756, ORS 757, ORS 759 & 290, OL 1987

Stats. Implemented: ORS 756.040, ORS 757.750, ORS 757.755, ORS 757.060 & ORS 290, OL1987

Hist.: PUC 6-1979, f. & ef. 10-6-79 (Order No. 79-680); PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); Renumbered from 860-021-0105; PUC 3-1989, f. 2-6-89, cert. ef. 2-8-89 (Order No. 89-038); PUC 6-1989, f. & cert. ef. 5-22-89 (Order No. 89-662); PUC 16-1990, f. 9-28-90, cert. ef. 10-1-90 (Order No. 90-1105); PUC 13-1997, f. & cert. ef. 11-12-97; PUC 17-1997(Temp), f. 12-11-97, cert. ef. 1-1-98 thru 6-29-98; PUC 5-1998, f. & cert. ef. 3-13-98; PUC 4-1999, f. & cert. ef. 8-12-99; PUC 5-1999(Temp), f. & cert. ef. 9-21-99 thru 3-18-00; PUC 14-1999, f. & cert. ef. 12-15-99; PUC 16-2001, f. cert. ef. 6-21-01



**860-034-0180****Grounds for Disconnecting Utility Service**

Utility service may be disconnected by a small telecommunications utility:

- (1) ~~For~~ **When the applicant or customer fails** ~~sure to establish credit by:~~
  - (a) ~~Failing to~~ pay a deposit or make payments in accordance with the terms of a deposit payment arrangement ~~(OAR 860-034-0150); or~~
  - (b) **When the applicant or customer provides** ~~ing~~ false identification **to establish service, continue service,** or verification ~~of~~ identity.
- (3) **When the customer fails to pay Oregon tariff or price listed charges due for services rendered.**
- (4) **When the customer fails to abide by the terms of a time payment agreement.**
- (5) **When the customer requests the small telecommunications utility to disconnect service or close an account.**
- (2) ~~When~~ facilities provided are unsafe or do not comply with state and municipal codes governing service or the rules and regulations of the small telecommunications utility ~~(OAR 860-034-0250).~~
- (3) ~~Where a customer requests the small telecommunications utility to disconnect service or close an account (OAR 860-034-0190).~~
- (4) ~~When~~ dangerous or emergency conditions exist at the service premises **under** ~~(OAR 860-034-0200).~~
- (5) ~~For failure to pay Oregon tariff or price listed charges due for services rendered (OAR 860-034-0260) or~~ **When there is evidence of diverting service or** theft of service.
- (6) ~~For failure to abide by the terms of a time payment agreement (OAR 860-034-0270).~~
- (7) ~~When~~ the Commission approves the disconnection of service.

Stat. Auth.: ORS 183, ORS 756 & ORS 759

Stats. Implemented: ORS 759.045

Hist.: PUC 6-1993, f. & cert. ef. 2-19-93 (Order No. 93-185); PUC 12-1998, f. & cert. ef. 5-7-98; PUC 15-2001, f. & cert. ef. 6-21-01

**860-034-0260****Disconnection Procedures for Commercial and Residential Utility Customers**

(1) This rule applies to the involuntary termination of all utility service provided by a small telecommunications utility.

(2) ~~At least five days before a~~ **The** small telecommunications utility **must provide written notice to the customer at least five business days before** ~~disconnects~~ **ing** service ~~for nonpayment for utility services rendered, the utility must provide the customer a written notice of the disconnection~~ **except when the disconnection is made:**

- (a) **At the request of the customer; or**
- (b) **When the facilities provided are unsafe creating an emergency endangering life or property under OAR 860-021-0315.**

(3) The notice must be printed in boldface type and must state ~~in easy to understand language~~ **language that is as clear and simple as possible:**

(a) The reasons for the proposed disconnection;

(b) The earliest date for disconnection;

(c) The ~~small telecommunications utility shall prominently identify the~~ amount ~~necessary~~ to be paid to avoid disconnection of utility services;

(d) An explanation of the Commission's complaint process and the Commission's toll-free number; and

(e) An explanation of the availability of an emergency medical certificate for local exchange residential service customers under OAR 860-034-0270.

(4) The small telecommunications utility may not send the notice before the due date for payment for the utility services billed.

(5) The small telecommunications utility ~~may~~**must** serve the notice of disconnection in person or send it by first-class mail to the last known addresses of the customer and the customer's designated representative. Notice is served on the date of personal delivery or, if delivery is by U S Mail, on the day after the U S Postal Service postmark or ~~the day after the date of~~ postage metering.

(6) If a premises visit is required to complete disconnection, the small telecommunications utility must make a good-faith effort to personally contact the customer or a resident at the service address to be disconnected. If the small telecommunications utility's attempt to make personal contact fails, the utility must leave a notice in a conspicuous place at the premises informing the customer that service has been disconnected.

(7) In lieu of permanent disconnection, a small telecommunications utility may temporarily curtail utility service by preventing the transmission of incoming telephone messages and/or outgoing toll messages while continuing to let the customer make outgoing local messages. Temporary curtailment of utility service, as defined in this section, shall be permitted only upon five days' written notice as set forth in section (3) of this rule. The notice shall state that permanent disconnection will follow within ten days unless the customer makes full payment of any overdue amount or any other obligation.

(8) Except for utility service provided by a small telecommunications utility to its customers served by an office incapable of restricting toll service, a small telecommunications utility shall not disconnect or deny local exchange service for an applicant's or customer's failure to pay for utility services not under the local exchange utility's tariff or price list. A small telecommunications utility may limit access to toll and special services using the "9XX" prefix or Numbering Plan Area (NPA) for the failure to pay for such services.

(9) A small telecommunications utility may not disconnect or deny local service to customers or applicants, who are eligible to receive OTAP, for failure to pay toll charges.

(10) A small telecommunications utility may request a limited waiver of the requirement of section (9) of this rule upon meeting all the following conditions:

(a) Showing the small telecommunications utility would incur substantial costs in complying with the requirement;

(b) Demonstrating the small telecommunications utility offers toll-blocking services to customers identified in section (9) of this rule; and

(c) Showing that telecommunications subscribership among low-income customers in its service area in Oregon is at least as high as the national subscribership level for low-income customers.

Stat. Auth.: ORS 183, ORS 756, ORS 759 & Ch. 290, OL 1987

Stats. Implemented: ORS 759.045 & Ch. 290, OL 1987

Hist.: PUC 6-1993, f. & cert. ef. 2-19-93 (Order No. 93-185); PUC 17-1997(Temp), f. 12-11-97, cert. ef. 1-1-98 thru 6-29-98; PUC 5-1998, f. & cert. ef. 3-13-98; PUC 4-1999, f. & cert. ef. 8-12-99; PUC 15-2001, f. & cert. ef. 6-21-01