

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1631

In the Matter of
CASCADE NATURAL GAS
CORPORATION,

ORDER

Petition for Waiver of OAR 860-021-
0405(11)

DISPOSITION: STAFF’S RECOMMENDATION ADOPTED

This order memorializes our decision, made and effective at our January 28, 2020 Regular Public Meeting, to amend and adopt Staff’s recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A. We approve Cascade Natural Gas Corporation’s request to waive OAR 860-021-0405(11), with an effective date of January 28, 2020, for a period of two years.

We open a rulemaking to review OAR 860-021-0405(11) and any associated subsections of OAR 860-021-0405 to address the practice of accepting cash payments at the door at the time of utility service disconnection.

Made, entered, and effective Jan 29 2020.

Megan W. Decker
Chair

Letha Tawney
Commissioner



Mark R. Thompson
Commissioner

A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: January 28, 2020**

REGULAR X CONSENT _____ EFFECTIVE DATE January 28, 2020

DATE: January 21, 2020

TO: Public Utility Commission

FROM: Mitchell Moore

THROUGH: Michael Dougherty, John Crider and Matt Muldoon **SIGNED**

SUBJECT: CASCADE NATURAL GAS:
(Docket No. UM 1631)
Cascade request to waive OAR 860-021-0405 related to the collection of customer payment from field personnel.

STAFF RECOMMENDATION:

Staff recommends that the Commission approve Cascade Natural Gas (Cascade or Company) waiver request of OAR 860-021-0405(11), with an effective date of January 28, 2020, for a period not to exceed two years.

Staff recommends that the Commission open a comprehensive review of OAR 860-021-0405(11), addressing in a comprehensive manner the practice of accepting cash payments at the door at the time of utility service disconnection.

ISSUE:

Whether the Commission should approve Cascade's request for a waiver of OAR 860-021-0405(11), which concerns Notice of Pending Disconnection of Residential Electric or Gas Utility Service.

DISCUSSION:

Applicable Law

OAR 860-021-0405 addresses the notice requirements an energy utility must perform prior to disconnection of residential utility service. Subsection (11) of this rule states: "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. OAR 860-021-0005 allows the Commission to grant waivers of Division 21 rules for good cause shown.

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. See ORS 757.220; OAR 860-022-0020.

Overview

Cascade filed this application requesting a partial waiver to OAR 860-021-0405(11). This subsection of the rule requires a Cascade employee to accept partial payment of the customer's overdue balance, when onsite performing a disconnection of services.

In compliance with OAR 860-021-0405(11), Cascade's current practice is to knock on the customer's door while on site for disconnection and allow for the customer to make payment at the door.

The Company is requesting a waiver from the requirement to accept payment at the customer's doorstep, based on concerns for employee safety.

A similar waiver was previously approved by the Commission for PGE on November 5, 2019 in Order No. 19-391. PacifiCorp was also granted a waiver from this rule February 18, 2014 in Order No. 14-049 following informal workshops held to review the issue.

At the time PacifiCorp had recorded 13 physical safety incidents in 2012 and 2013. In four of the 13 incidents, the customer pointed a firearm directly at the employee.¹

In its recent application PGE had reported more than doubling of the number of threats – from 24 total to 54 total threats - to field employees from 2017 to 2019.

¹ See Staff Report in Commission Order No. 14-049.

Analysis

Cascade believes that when field employees are known by the public to carry money in their vehicle, they are inherently at risk of being attacked and robbed as they travel their daily route. When an employee accepts a cash payment at the door, those payments are then stored in a Company vehicle until they can be dropped off at a local office or pay station.

In its filing, Cascade cites the Occupational Safety and Health Administration's (OSHA) General Duty Clause, which requires employers to furnish employees a place of employment free from recognized hazards that can be considered harmful to an employee. Employers are required to minimize potential hazards that may expose employees to workplace violence.

Among the risk factors for workplace violence cited by OSHA and the Centers for Disease Control and Prevention (CDC) are: employees exchanging money with the public, working alone or in small numbers, working in high-crime areas, guarding valuable property or possessions.² OSHA literature recommends employees carry a minimal amount of cash at their workplace.

In follow-up data request response, the Company states that it does not specifically track threats of violence against its field employees who are accepting payments at the door. However, the Company provided examples of specific incidents where employees were threatened with lethal violence by a customer. In one case, Cascade noted that a restaurant customer would routinely make a large cash payment at the time of disconnection, in full view of restaurant patrons, leaving the technician receiving the payment vulnerable to being robbed as soon as he left the premises.

Opposition to the Company's request was filed by the Community Action Partnership of Oregon (CAPO). The organization states that a more thorough review of this policy and its impact on low-income rate-payers is overdue, and that the Commission should not approve such a waiver without the input from parties affected by the waiver. CAPO also notes that Cascade has not provided a plan to offset this loss of payment option with an expanded use of cash payment options.

In its filing Cascade points to recent technological advances that have broadly expanded the payment methods offered to customers. In addition to the traditional payment method of sending a check or money order through the U.S. mail, expanded options involving technology generally involve the customer having a bank account.

² <https://www.cdc.gov/niosh/docs/93-109/>; <https://www.osha.gov/SLTC/workplaceviolence/>

For customers that do not have access to banking services, cash payments may be made through any Western Union Bill payment service for a \$1.99 fee. These offices are conveniently located through Cascade's service territory in local Walgreens, Rite Aid, Safeway and Fred Meyer stores, as well as many gas service stations. A more limited subset of Western Union pay stations that provide a "Convenience Pay" service is free for bill paying customers. Cascade states there are 16 of these "Convenience Pay" stations throughout its Oregon service territory.

Staff agrees with CAPO regarding the lack of deeper discussion and research into the impacts of these policies on low-income customers. As well, there has not been any review since the original granting of PacifiCorp's waiver regarding how it has affected customers, or impacted the perception of threat of workplace violence, or affected the number of incidents reported.

Staff agrees that such a review is warranted and should be undertaken as part of a larger rulemaking process to address this practice in a comprehensive manner.

Conclusion

Given that Cascade has reported instances of threat directed at field service employees when attempting to disconnect service, that OSHA regulations require employers mitigate workplace hazards to the extent feasible, and that both OSHA and the CDC recommend minimizing the amount of cash carried by an employee, Staff recommends the Commission approve Cascade's request for a waiver of OAR 860-021-0405(11).

In recognition of the impact on low-income rate payers who are limited to cash transactions, Staff also recommends the Commission open a review of OAR 860-021-0405(11), to address the practice of accepting payments at the customers' door in a comprehensive manner that takes into account the impact on low-income ratepayers and explores options to mitigate any impact.

PROPOSED COMMISSION MOTION:

Approve Cascade's waiver request of OAR 860-021-0405(11), with an effective date of January 28, 2020, for a period of two years.

Open a comprehensive review of OAR 860-021-0405(11), addressing in a comprehensive manner the practice of accepting cash payments at the door at the time of utility service disconnection.