



**Avista Corp.**

1411 East Mission P.O. Box 3727  
Spokane, Washington 99220-0500  
Telephone 509-489-0500  
Toll Free 800-727-9170

August 1, 2013

***Via Electronic Mail***

Steven V. King  
Executive Director and Secretary  
Washington Utilities & Transportation Commission  
1300 S. Evergreen Park Drive S. W.  
P.O. Box 47250  
Olympia, Washington 98504-7250

Re: Docket No. U-131087 - Comments of Avista Utilities on the "Inquiry to Consider Whether Changes to WACs 480-100-128(6)(k) and 480-90-128(6)(k) are Warranted," (Acceptance of payments to prevent disconnection)

Dear Mr. King,

Avista Corporation dba Avista Utilities (Avista or Company) submits the following comments in accordance with the Washington Utilities and Transportation Commission's (Commission) Notice of Opportunity to Submit Written Comments (Notice) issued in Docket U-131087.

On June 28, 2013, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to consider whether changes to WACs 480-100-128(6)(k) and 480-90-128(6)(k), which state that utility company representatives dispatched to disconnect service must accept payment to prevent disconnection, are warranted. The Commission filed the CR-101 under the above referenced Docket No.

The inquiry is based on PacifiCorp d/b/a Pacific Power and Light's petition for exemption from WAC 480-100-128(6)(k), filed in Docket UE-130545 and heard at the

Commission's May 30, 2013, Open Meeting. Avista appreciates the opportunity to comment on the need or desirability of a rule revision.

It is always the Company's desire to keep customers connected. Avista's current notification process to let customers know of the possible disconnection of service is as follows:

- The bill is mailed and due within 15 calendar days, after which the Company allows a 3-day grace period for payments to post.
- A Past Due Notice is mailed after the 3 day grace period ends, dated 7 calendar days later.
- The Final Notice is mailed 3 business days before the past due notice expires.
- The Interactive Voice Response System (IVR) then calls the customer on the day the notice expires.

If the customer has not responded to the Company, then the Company will generate a disconnect notice for the field personnel. Once field personnel are at the service address and if the customer is available and able to make payment, the Company representative will accept the payment to prevent the disconnection of service.

In July 2004, Avista filed a proposal with the Commission's in Washington and Idaho (subsequently approved by the Commissions), which reflected a change in our procedures to collect only checks and money orders at customer's premise and to no longer collect cash payments at a customer premise.

The Company's Washington tariffs (Schedules 70 and 170) provide:

If such arrangements include an employee collecting payment at the Customer's premise, such payment shall be in the form of a check, money order or receipt of payment from a designated payment agency unless the Company determines that conditions warrant otherwise [emphasis added].

This change in procedure was brought about by increased employee safety concerns at the time regarding collecting and carrying cash in the field. At the time, there was a heightened concern in our service areas due to an increase in robberies of pizza delivery personnel, taxi cab drivers, and even daily newspaper collectors.

However, Avista's current practice is to accept payment, including a cash payment, from customers who are able to pay to avoid disconnection.

The Commission's current rule regarding acceptance of cash payments (WAC 480-100-128(6)(k) and 480-90-128(6)(k) states, in part, as follows:

A utility representative dispatched to disconnect service must accept payment of a delinquent account at the service address, but will not be required to give change for cash paid in excess...

Under the current circumstances, the Company does not believe there is a need to change the current rule at this time.

One factor which may influence a revision to the current rule in the future is related to remote disconnection and reconnection. The Company has been running a remote pilot in the state of Idaho for the past 6 years and has also deployed, as part of its Smart Grid Demonstration Project, an Advanced Meter Infrastructure (AMI) in Pullman Washington. This demonstration project includes 13,000 electric meters with remote capability. When doing field collections, the Company currently collects a payment from customers only 13% of the time. Over the past decade, new payment methods have been made available to customers. In addition to the traditional methods of paying by check or money order through the United States mail, pay stations, or drop boxes, or paying by cash at pay stations, the Company also offers customers the options of online payment through the Company's website and pay-by-telephone.

Some of these methods, such as online payment and pay-by-telephone, provide almost immediate account updating and the customer can make the payment without leaving their home. Eliminating the on-site visit by an Avista employee will increase safety for employees without sacrificing customer service.

To date, the Company has not received any customer complaints regarding remote disconnections from its Washington or Idaho customers. Avista believes that having the remote device has had a positive impact on customer behavior and has improved service to the customer by significantly reducing the time between payment and reconnection of service. More importantly, by having this remote capability, we are able to reconnect the service within minutes, even after business hours. Without this capability, it can take hours or it could even be the following day if a customer's payment is made after 7 pm. Without the remote capability it takes an average of 15.8 hours to reconnect service for requests after 7 pm. The results of our pilots show that the average length of time to reconnect service from when the customer paid or

made satisfactory arrangements was 16 minutes. These statistics are just part of the evaluation that the Company is using to develop its AMI business case in the state of Washington.

Avista appreciates the opportunity to provide these comments, and we look forward to participating in the workshop scheduled for August 15, 2013, and the issues related to that topic. If you have any questions regarding these comments, please contact me at 509-495-4975 or at [linda.gervais@avistacorp.com](mailto:linda.gervais@avistacorp.com).

Sincerely,

*/s/Linda Gervais/*

Manager, Regulatory Policy  
Avista Utilities  
[linda.gervais@avistacorp.com](mailto:linda.gervais@avistacorp.com)  
509-495-4975