

April 29, 2022

U-210800
VIA ELECTRONIC FILING

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 Executive Director and Secretary
 Washington Utilities and Transportation Commission
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 Lacey, Washington 98503

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 State Of WASH.
 UTIL. AND TRANSP.
 COMMISSION

RE: Docket U-210800—PacifiCorp’s Responses

On March 18, 2022, the Washington Utilities and Transportation Commission (Commission) issued a Notice of Opportunity to File Written Comments, requesting utilities respond to several questions related to Disconnection and Reconnection, Deposits, Late Fees, Credit and Collection, and Disconnection Notices. PacifiCorp dba Pacific Power & Light (PacifiCorp or Company) appreciates the opportunity to respond to the Commission’s questions below.

I. Response
A. Disconnection and Reconnection

1. **Does your company currently have a residential disconnection and/or reconnection fee in its filed tariff?**
 - a. **If so, please provide citations to all appropriate tariff references.**

PacifiCorp has reconnection charges under Tariff Schedule 300. PacifiCorp does not have a disconnection charge. Rule 11D provides the context in which a customer is asked to pay a reconnection charge and Schedule 300 provides detail on the reconnection charges.

2. **Please provide the following information regarding the fees your company collected in 2018 and 2019, respectively:**
 - a. **Please provide the total dollar amount collected from residential customers for disconnection fees and reconnection fees each year, identifying each fee category separately.**

Category	2018	2019
Disconnect Visit Charge	\$4,275	\$3,826
Reconnect Charge - Weekend / Holiday Hours	\$975	\$836
Reconnect Charge - After Hours	\$5,362	\$4,124
Reconnect Charge - Normal Office Hours	\$30,654	\$19,453
Total	\$41,266	\$28,238

- b. Please provide the total number of residential customer accounts and the number of customer accounts assessed disconnection fees or reconnection fees each year. Please identify each fee category separately, include only reconnection fees for previously disconnected customers, and exclude new customers reconnecting at an existing service address.**

Category	2018	2019
Active Agreements as of Last Day of Year	122,870	124,060
Disconnect Visit Charge	267	241
Reconnect Charge - Weekend / Holiday Hours	13	12
Reconnect Charge - After Hours	108	81
Reconnect Charge - Normal Office Hours	1,155	746

Note: Counts represent unique customer agreements

- c. Please provide the percentage of retail revenue your company derived from residential customer disconnection fees and reconnection fees each year, identifying each fee category separately.**

% Retail Revenue		
Category	2018	2019
Disconnect Visit Charge	0.001%	0.001%
Reconnect Charge - Weekend / Holiday Hours	0.000%	0.000%
Reconnect Charge - After Hours	0.002%	0.001%
Reconnect Charge - Normal Office Hours	0.010%	0.006%

- d. If these disconnection fees and reconnection fees were removed from the company's tariff and recovered in base rates instead, how much would residential bills increase based on your company's currently approved rate spread? Please provide both a percentage increase and an average residential customer bill increase amount.**

Due to its potential to increase other costs, such as net write-off expense, the Company is unable to quantify the effect of this tariff change on residential bills.

- 3. Please provide the following information regarding the cost of disconnection and reconnection in 2018 and 2019, respectively, identifying each fee category separately.**

PacifiCorp does not have a specific charge for disconnection of service and does not track the specific costs for disconnecting or reconnecting service. PacifiCorp estimated the costs below based on the average calculation of time to do the reconnection of service, the wage of the employee doing the work, and how many disconnection and reconnection requests were completed. PacifiCorp estimates the cost of disconnecting service to be commensurate with the cost of reconnecting service during normal office hours.

- a. **What is the total cost the company incurred disconnecting residential customers each year?**

Estimated Disconnection of Service Costs		
Category	2018	2019
Disconnection	\$45,835.06	\$33,260.84

- b. **What is the total cost the company incurred reconnecting residential customers each year?**

Estimated Reconnection of Service Costs		
Category	2018	2019
Reconnection - Normal Office Hours	\$29,347.80	\$18,634.66
Reconnection - After Hours	\$12,452.00	\$11,528.00
Reconnection - Weekend/Holiday	\$2,912.26	\$2,688.24
Totals	\$44,712.06	\$32,850.90

- c. **What is the average annual cost for disconnection and reconnection by year?**

Estimated Average Annual Cost per Disconnection & Reconnection by Year		
Category	2018	2019
Disconnection	\$23.86	\$23.86
Reconnection	\$33.10	\$37.50

- d. **If your company has deployed advanced metering infrastructure (AMI), please provide separately a cost breakdown of disconnection and reconnection fees for residential customers with AMI meters installed. Please also provide a side-by-side comparison of costs incurred both to disconnect and reconnect non-communicating meters with costs incurred to disconnect and reconnect AMI meters.**

PacifiCorp has not deployed AMI in Washington.

4. **Please provide the following information related to residential disconnections for non-payment in 2018 and 2019, respectively.**
- The number of disconnections**
 - The average duration of disconnection**
 - The average duration of disconnection for non-payment for low-income customers each year?**

Category	2018	2019
Number of Disconnections	1,952	1,375
Average Duration (Days)	0.85	0.86
Low Income Average Duration (Days)	0.93	0.76

Note: Counts represent unique customer agreements.

5. Please provide the following information regarding disconnections among low-income residential customers:

a. In each of 2018 and 2019, what percentage of total residential customer disconnection fees and reconnection fees were charged to low-income customers? Please identify the percentage for each fee category separately.

Category	2018	%	2019	%
Reconnect Charge - Weekend / Holiday Hours	\$75	7.7%	\$75	9.0%
Reconnect Charge - After Hours	\$500	9.3%	\$400	9.7%
Reconnect Charge - Normal Office Hours	\$4,550	14.8%	\$2,025	10.4%
Total	\$5,740	13.9%	\$3,056	10.8%

b. What percentage of customers facing disconnection successfully applied for and received energy assistance that allowed them to avoid disconnection in 2018 and 2019, respectively?

Category	2018	2019
% of customers successfully applying for and receiving energy assistance payments and avoiding disconnection	0.21%	0.11%

6. Please identify barriers you have encountered to payment for low-income customers, members of highly impacted communities, and/or vulnerable populations. For the companies, what steps has your company taken to address identified barriers, if any? Please describe the results of these steps and provide any data you have relied upon for this analysis.

PacifiCorp has not identified specific barriers to payment for low-income customers and members of highly impacted communities, and/or vulnerable populations. However, as identified in Chapter 5 of its December 30, 2021 CleanEnergy Implementation Plan, PacifiCorp has identified the following potential barriers to participating in utility programs that customers may experience (page 110-112), which may also affect payments.

- Lack of access to digital channels
- Language considerations
- Cultural considerations

With regards to payment options, PacifiCorp offers multiple ways for customers to submit payment, including several free and convenient payment options. Customers have the following payment options:

Auto-Pay	<ul style="list-style-type: none"> • Set up automatic payments and receive a \$1.00 credit • Allows specific timing of payment
Online Pay	<ul style="list-style-type: none"> • Enter bank account information (no fee) • Use credit or debit card (no fee)

Mobile Application	<ul style="list-style-type: none"> • Enter bank account information (no fee) • Use credit or debit card (no fee)
Pay by Phone	<ul style="list-style-type: none"> • Check, credit card, or debit card payments
Text to Pay	<ul style="list-style-type: none"> • Enter bank account information (no fee)
Pay station	<ul style="list-style-type: none"> • Free pay station locates conveniently located – payments post within an hour from our automated pay station locations
Postal Service	<ul style="list-style-type: none"> • Mail a payment

Additionally, PacifiCorp is focusing attention on providing Spanish translation of materials, an objective that is consistent with the Company’s current approach in Washington. Translation services are available to our customers at all times through our Customer Care Department.

PacifiCorp does not have access to data to assess how these multiple payment options have affected payments from customers.

B. Deposits

- 7. Does your company currently collect deposits from residential customers?**
a. If so, please identify all references in your tariff governing residential customer deposits.

PacifiCorp collects deposits from residential customers. PacifiCorp’s Rule 9 contains the rules and regulations for residential applicant and customer deposits.

- 8. Please provide the following information regarding the residential customer deposits collected by your company in 2018 and 2019, respectively:**
- a. Please provide the total dollar amount collected for residential customer deposits each year.**
 - b. How many customer accounts paid deposits each year?**
 - c. What percentage of retail revenue did your company derive from residential customer deposits each year?**
 - d. How many customers used part or all their deposit to offset account balances?**
 - e. What percentage of customers who used part or all their deposit to pay for account balances each year requested reconnection within 12-months of disconnection?**

Category	2018	2019
(a) Deposits Charged	\$2,132,163	\$1,818,145
(b) Customers Charged	11,067	10,065
(c) % Retail Revenue	0.69%	0.59%
(d) Offset	4,751	3,752
Category	Percent	

(e) % Reconnected	12.21%
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- 9. Please provide the following information regarding deposits among low-income customers in 2018 and 2019, respectively:**
- What percentage of customers who paid deposits were low-income customers?**
 - If possible, please identify the percentage of customers who paid deposits who are members of a highly impacted community or vulnerable population.**

Category	2018	2019
(a) Customers Charged	609	541
(b) %	5.5%	5.4%

Note: PacifiCorp generally does not collect demographic information for classifying highly impacted communities and vulnerable populations as part of the day-to-day operations.

C. Late Fees

- 10. Does your company’s tariff currently include a late fee for residential customers?**
- If so, please identify all the appropriate tariff references.**

PacifiCorp’s tariff includes a late fee for residential customers. Rule 10, H. provides the context in which a customer would be assessed a late payment charge and Schedule 300 provides detail on the late payment charge.

- 11. Please provide the following information regarding the late fees your company collected in 2018 and 2019, respectively:**
- Please provide the total dollar amount collected in late fees for each year.**
 - How many residential customer accounts paid late fees each year?**
 - What percentage of retail revenue did your company derive from residential late fees each year?**

Category	2018	2019
(a) Late Payment Fees	\$484,451	\$502,078
(b) Average Agreements Charged	25,131	25,149
(c) % Retail Revenue	0.16%	0.16%

- If late fees were no longer collected and were to be recovered in base rates instead, how much would residential bill increase based on your current approved rate spread? Please provide both a percentage increase and an average residential customer bill increase amount.**

Due to its potential to increase other costs, such as net write-off expense, the Company is unable to quantify the effect of this tariff change on residential bills.

12. Please provide the following information regarding late fees affecting low-income customers in 2018 and 2019, respectively:

- a. What percentage of late fees were charged to low-income customers each year?
- b. If possible, please identify the percent of customers charged late fees in each year who were members of a highly impacted community or vulnerable populations.

Please see table provided below. Amount reflects late fees charged. Low-income customers are defined as customers who had received energy assistance payments. Counts represent average number of customer agreements. All low-income customers are considered as being part of a highly impacted community.

Category	2018	%	2019	%
Late Payment Fees	\$44,211	9.1%	\$46,939	9.3%
Average Agreements Charged	1,867		1,881	

D. Credit and Collection

13. Please provide all references in your company’s tariff, and citations to all applicable rules and regulations, governing the credit and collection processes used by your utility.

The following list of rules and rate schedules are used to govern the credit and collection processes used by PacifiCorp.

Tariff	Description
Rule 9, Deposits	Provides details on deposit requirements, the amount of a deposit, payment dates, additional deposits, transfer of deposits, interest on deposits, deposit refunds, and additional arrangements a customer or applicant can make in respect to a deposit requirement.
Rule 10, Billing	Contains information on bill payment timeframe, returned payment charge, equal payment plan, and late payment charges.
Rule 11A, Discontinuance of Service for Nonpayment	Provides details on how the Company must notice a customer prior to disconnection of service for non-payment.
Rule 11B, Medical Emergency	Provides additional customer protections for household where disconnection of electric service would aggravate a medical condition of a resident in the household, including postponement of disconnection, reconnection of service if power has been disconnected, and additional payment arrangements.
Rule 11D, Charges for Collection Activity	Lists the type of collection related charges the Company may assess to a customer including reconnection charges, field visit charge, and an unauthorized reconnection/tampering charge.
Rule 11E, Reconnection of Service	PacifiCorp is not obligated to reconnect service until the cause for disconnection has been remedied.

Schedule 300, Charges as Defined by the Rules and Regulations	Schedule 300 is the list of charges that are assessed based on the Company’s Rules and Regulations including charges for the rules listed above.
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Additionally, PacifiCorp complies with all state and federal rules and regulations regarding credit and collections.

14. Please provide the following information regarding credit and collection:

- a. A detailed narrative describing your company’s credit and collection process. As part of this narrative, please identify both internal and external processes and explain how they operate, including any voluntary customer service principles;**

PacifiCorp utilizes third party collection agencies as part of our inactive collections process only. Once an account has closed and completed the final bill cycle, it may be assigned to one of our agencies to pursue collection of the outstanding balance.

Approximately 45 days following closure of the electric service account, any outstanding balance is assigned to a third-party collection agency for repayment attempt. A pre-collect letter is sent to the customer to provide the opportunity to pay the debt prior to the collection agency beginning collection efforts. As part of the collection effort our third-party agencies utilize multiple channels to reach customers including phone calls and letters. Agency staff is trained to negotiate flexible payment arrangements with customers.

If the debt is not paid within 90 days of assignment to the collection agency and the balance is greater than \$100.00, the debt may be reported by the collection agency to the customer’s credit bureau. If the customer does not keep arrangements or promise to pay, the debt may be pursued through the legal process, which may result in wage or bank garnishments.

- b. If applicable, the number of customers sent to collections in each of 2018 and 2019; and**
- c. If applicable, the number of low-income customers who had account balances sent to collections in the year the customer received energy assistance.**

Category	2018	2019
Low-Income Customers	258	208
Non Low-Income Customers	4,825	4,170
TOTAL	5,083	4,378

E. Disconnection Notices

- 15. Has your company identified opportunities to improve customer notice rules? Please describe those opportunities and the steps your company is taking to implement them.**

PacifiCorp worked with Staff and stakeholders during COVID-19 discussions in 2021 to implement changes to customer notices which included an addition to ask that the customer contact us to stop disconnection, changes to represent fees being waived until a specific date, removal of information about the Company's policy to not knock on the customer's door prior to disconnection and some other housekeeping changes. Additionally, as discussed above, PacifiCorp is working towards providing greater access to Spanish translations for customer communications.

16. Please provide a list of all languages in which your company provides translated disconnection notices.

For disconnection notices, the past due and final notification printed on PacifiCorp bills is currently provided in English. See attached image samples that show the top portion of the customer's bill.

ACCOUNT PAST DUE Our records indicate that your account is past due. If the past due amount has been paid, please remember that this bill also contains New Charges.

Your Balance With Us	
Previous Account Balance	106.82
Payments/Credits	0.00
Past Due Amount	106.82
New Charges	+60.00
Current Account Balance	\$166.82

You Must Act Now to Avoid Shut-Off!

- Your Electric Service **Past Due Amount** of **\$106.82** must be received by **Mar 25, 2022** to avoid shut-off.

Other ways to avoid Shut-off are shown at the end of this billing statement.

Remember: Your New Charges of **\$60.00** are still due by **Mar 25, 2022**.

Payments Received

No payments have been received since your last billing statement.

FINAL NOTICE As of the mailing date of this notice, we have not received your payment. Unless your delinquent balance is received in our office by the date shown, your electric service may be disconnected without further notice.

You Must Act Now to Avoid Shut-Off!

- Your Electric Service **Past Due Amount** of **\$106.82** must be received by **Mar 25, 2022**, to avoid shut-off.

Other ways to avoid Shut-off are shown at the end of this billing statement.

Remember

To bring your account current, you need to pay charges of **\$166.82**, which were detailed on your last monthly statement.

THE ELECTRIC SERVICE AT THE FOLLOWING ADDRESS(ES) IS IN DANGER OF BEING DISCONNECTED DUE TO NON-PAYMENT.

THE AMOUNT(S) LISTED BELOW DOES NOT REFLECT ENERGY ASSISTANCE PROGRAM PLEDGES YOU MAY BE RECEIVING:

PacifiCorp leaves a door hanger at the customer's location two days prior to the potential date of disconnection. All door hangers include text in Spanish letting customers know PacifiCorp is available 24 hours a day.

17. How does your company determine in which language(s) the customer should receive written communications (particularly in relation to the disconnection notice)?

PacifiCorp has an indicator in its system that is used to determine if a written communication should be sent in English or Spanish. The Company is continually adding more customer communications and outreach in Spanish, this includes ongoing weekly emails to customers who are behind on their bills. See the following link for a sample of this email:

<https://pacificorp.com/content/dam/pcorp/documents/en/pacificpower/my-account/bill-inserts/PP-WA-Residential-SPA-Jan.pdf>.

18. Has your company identified any barriers in the process of providing notices to customers?

- a. **If so, please identify and describe these barriers.**
- b. **Has your company taken steps to address any identified barriers?**
- c. **Have the steps taken either reduced the number of disconnections or otherwise yielded results in terms of improving the disconnection process? If so, please provide the results and any analysis your company has conducted of the results.**

No, however the Company continues to monitor and assess the environment to identify opportunities for improvement.

19. Are you aware of any policies, rules, or guidance concerning equity in developing or providing customer notice in use by other companies or state commissions? If so, please identify the policies, rules, or guidance, referencing the company or state commission that has adopted the policy, rule, or guidance.

PacifiCorp is not aware of any policy, rule, or guidance concerning equity in use by other companies or state commissions in developing customer notices at this time.

20. Are you aware of any best practices or examples from other jurisdictions or other utility sectors that the Commission should consider in this proceeding regarding late fees, disconnection fees, reconnection fees, deposits, credit and collection practices, and customer notices? If so, please identify these best practices or examples, referencing the company or jurisdiction that has adopted these practices.

PacifiCorp is not currently aware of best practices that should be considered in this proceeding, though the Company is always willing to incorporate reasonable suggestions to its policies and practices that might mitigate inadvertent billing consequences to disadvantaged communities.

II. Conclusion

PacifiCorp appreciates the opportunity to respond to these questions and looks forward to participating in this proceeding to reach a balanced outcome that benefits not only low-income

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customers, members of highly impacted communities, and/or vulnerable populations, but also customers who fall outside of these groups.

Sincerely,

 /s/

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