

September 10, 2010

VIA ELECTRONIC FILING

Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

Attention: David W. Danner
Executive Director and Secretary

RE: Docket U-100523 Comments on Proposed Revisions to Draft Rules

Dear Mr. Danner:

PacifiCorp, d.b.a. Pacific Power (“PacifiCorp” or “Company”) submits the following comments in response to the Washington Utilities and Transportation Commission’s (“Commission”) Notice of Opportunity to File Written Comments (“Notice”) issued in Docket U-100523 on August 9, 2010. The Notice seeks comments on proposed draft rules to address the use of electronic bills, notices of tariff revisions, bill inserts, documents in adjudicative proceedings and reports required by settlement stipulations. The Commission initially issued a discussion draft on June 11, 2010, seeking comments from interested persons by July 14, 2010. PacifiCorp, and various other interested persons submitted comments on the initial discussion draft.

The proposed rules included with the Notice address many of PacifiCorp’s concerns with the initial draft. However, there are a few areas of concern with the latest draft. The Commission issued separate proposed rules for gas and electric utilities. PacifiCorp’s comments focus on the draft rules for electric utilities. Included with these comments as Attachment A is a copy of the draft rules with PacifiCorp’s suggested edits shown in redline.

WAC 480-100-XXX(2) (Verification of Consent)

This proposed new section would require utilities to obtain customer consent to provide bills and other utility information in electronic format. The proposed rule would require such customer consent to meet certain criteria. PacifiCorp understands the nature of the concerns that customers be able to comprehend what they are consenting to when agreeing to receive paperless bills and other information. Proposed new subsection (2)(a) would prohibit customer consent from being combined with any other information.

In its July 14, 2010 comments PacifiCorp briefly described the enrollment process for customers to create their own web profiles to view information related to their service. By going through this process, customers electronically receive information

about their accounts. Through the instant comments, PacifiCorp offers further information to give a better understanding of the process. Customers may register for a web profile in three simple steps, which results in four screen shots. In the first screen, customers input information (first and last name, a user ID, a password, and confirm the e-mail address) to be associated with the web profile. In the second screen, the customer reviews the information provided, and if correct, types the text of a security check box into a confirmation box and then submits to the Company's secure server. In the third screen shot, the customer sees a notice to activate the web profile. To activate the web profile, the customer clicks a link provided in an email sent to the web address provided by the customer. After the customer clicks on the link in the email, the customer is taken to a screen shot indicating that the web profile has been successfully activated.

After successful activation of a web profile, the customers may then select the account(s) to be associated with that web profile. This is accomplished in four steps, resulting in five screenshots. In the first screen, the customer enters the account number(s) to be associated with the web profile. In the second screen, the customer confirms his or her identity. In the third screen, the customer selects the account(s) to access online. In the fourth screen, the customer must confirm the information provided through the previous three screens. After confirming, the customer sees a fifth screen with a notification that the request for electronic access to account information was successfully submitted. The customer may then access his or her account information online.

Once the customer has completed the process to access their account information online, they may then elect to sign up for paperless billing. To participate in paperless billing, customers must enroll in PacifiCorp's online payment program, which is a simple process. This may only occur after the customer activates a web profile and links an account to that profile. To enroll in the online payment program, a customer must check a box to indicate acceptance of the terms and conditions of the online payment program. A link to the terms and conditions of the online payment program is located directly above the box a customer checks to indicate acceptance of those terms and conditions. Upon successful enrollment, the Company sends a "welcome" email to the customer. Currently, PacifiCorp's system captures the customer's acceptance of the terms and conditions of the online payment program.

Requiring that customer confirmation of consent to receive electronic bills and information be contained separate from other information would require system changes, which could cause considerable expense to be incurred. Customers enrolling in paperless billing and online payment do so of their own choice. As illustrated above, PacifiCorp customers go through several steps in order to complete the online enrollment process and activate paperless billing. Requiring additional steps to confirm consent seems to be a "belt and suspenders" approach, the benefits of which could be outweighed by the expense to comply. If additional consent is required, it would be easier, and less confusing for a customer, if the Company would modify an existing screen to include the consent, keeping the information concerning the program they are consenting to on the same screen with consent. PacifiCorp would also like to note that should screen or

system changes ultimately be required, in addition to the expense associated with making changes such as adding additional screens and records, the time it takes to analyze, develop and implement the changes may far exceed the 60 days to complete as suggested by Staff.¹ PacifiCorp agrees with Puget Sound Energy's recommendation to allow up to 180 days to implement any changes required by the new rules.

Section XXX(2)(d) contains proposed information that the customer must confirm. PacifiCorp does not oppose the idea of obtaining some sort of acknowledgement that the customer consents to receiving electronic bills and information. PacifiCorp's system already captures the customer's acceptance of the terms and conditions for use of paperless billing and online payment. PacifiCorp would prefer to combine such confirmation into an existing screen. By doing this, customers would actively acknowledge such consent in a more cost-effective manner. Additionally, PacifiCorp offers suggested revisions, as noted in Attachment A.

Section XXX(2)(e) contains a proposed requirement that utilities send customers already enrolled in electronic notification options an email to verify consent to be consistent with the new rules resulting from this rulemaking. Utilities would be required to send a one-time email to customers with essentially the same information as that contained in proposed XXX(2)(d). As noted above, PacifiCorp customers enroll in paperless billing of their own choice. Requiring the Company to send a one-time email to those customers already enrolled in the program seems unnecessary and may confuse the customer. If, however, the Commission determines this step is necessary, because this would be a one-time requirement, it may be beneficial for it to be contained in the order adopting the new rules rather than placing it in the rules. Leaving it in the rules may bring confusion as time elapses between the effective date of the new rules and future review for compliance with the rules.

The Company offers several other suggested edits for clarity. These suggested edits are shown in Attachment A.

PacifiCorp appreciates the opportunity to provide comments and participate in the review of the billing and noticing rules. Please direct any questions to Cathie Allen, Regulatory Manager, (503) 813-5934.

Sincerely,



Andrea L. Kelly
Vice President, Regulation

¹ See Comment Summary Matrix, Staff Response to Issue #11, Implementation Time Frame, p. 12 (August 3, 2010).

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Docket U-100523 – Electric and Gas Draft Rules
August 4, 2010

NEW SECTION

WAC 480-90/100-XXX Electronic information. With the prior consent of the customer or applicant, a utility may provide by electronic means instead of the use of paper copies sent by U.S. Mail, bills, notices of tariff revisions, or bill inserts including inserts containing information required to be provided to customers or applicants by statute, rule, or commission order. Statute, rule, commission order, or tariff provisions that refer to the mailing of bills, notices of tariff revisions or bill inserts will be considered as met by a utility sending electronic information or an e-mail advising of the availability of electronic information to a customer who has consented to receiving electronic information, provided that the e-mail includes a link to the electronic information or otherwise advises the customer of the electronic location of such information.

(1) **Format of electronic communications.** All information provided electronically must meet the requirements for format, due dates, calculation of due dates, minimum timeframes, and any other requirements specified within WAC 480-100. Electronic information will be treated the same as documents that are mailed within the state of Washington for the purposes of calculating due dates and minimum timeframes.

(2) **Verification of consent.** The utility must obtain prior written or electronic consent to provide prescribed information electronically (customer consent). The following criteria must be met regarding the customer consent:

~~(a) Consent must not be combined on the same document, screen or web page with any other information;~~

~~(ab)~~ The utility must retain a record of the customer consent as a part of the customer's account records to serve as verification of the customer's authorization to receive selected documents electronically;

~~(eb)~~ Documentation of the consent must be made available to the customer and to the commission upon request at no charge; and

~~(dc)~~ At a minimum, the customer consent must confirm the following information from the customer:

(i) The customer is the customer of record;

(ii) The decision to choose electronic information;

~~(iii) Confirmation that the customer understands~~Acknowledgement that the utility will provide upon request, a paper copy of any document sent electronically at no additional charge;

~~(iv) Confirmation that the customer understands they~~Acknowledgement that the customer may opt out of receiving information electronically at any time and may revert to receiving documents in paper format through the U.S. Mail at no additional charge; and

~~(v) Confirmation that the customer understands it is their~~Acknowledgement of the customer's responsibility to notify the utility of any change to their e-mail or other electronic address.

~~(e) Utilities providing electronic information to customers at the time this rule is adopted by the commission may meet the requirements for verification of consent by sending an e-mail to each of those customers stating the following:~~

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- ~~(i) The utility understands that the customer wishes to continue receiving electronic information specified in this rule;~~
- ~~(ii) The utility will provide upon request, a paper copy of any document sent electronically at no additional charge;~~
- ~~(iii) The customer may opt out of receiving information electronically at any time and may revert to receiving documents in paper format through the U.S. Mail at no additional charge; and~~
- ~~(iv) The customer is responsible to notify the utility of any change to their e-mail or other electronic address.~~

(3) **Distribution of electronic notices.**

(a) Electronic notices of proposed tariff changes of increased rates or restriction of access to services, and public hearings will be marked IMPORTANT NOTICE REGARDING YOUR UTILITY in the subject line.

(b) If the utility elects to send the notices of proposed tariff changes of increased rates or restriction of access to service, and public hearings separate from the bill, it will also include a copy of the electronic notice with the electronic bill as an attachment or link. The attachment or link will include the electronic address designated by the commission where customers may file public comment(s) regarding the proposed tariff changes or restriction of access to service.

(4) **Obligation to provide paper documents.** The following documents may not be provided solely by electronic means:

(a) Notices of disconnection; and

(b) Information regarding the winter moratorium on disconnection of low-income heating customers, including written copies of any extended payment plans under the winter low-income payment program.

(5) **Limit on changes to information format.** A utility is not obligated to provide both paper documents and electronic information to a customer on a continuous basis. A utility may limit a customer who has consented to electronic delivery to three requests for paper documents in a 12 month period. A utility may require that a customer who requests an electronic bill also receive all bill inserts electronically.

(6) ~~Electronic Data Interchange (EDI)~~ **Specialized format.** When a utility provides electronic billing information in a specialized format, such as but not limited to the Electronic Data Interchange (EDI) ~~format~~, where the utility incurs a cost that is offset by not sending statements using U.S. mailing paper bills, the utility may offer customers the choice of the specialized format or paper bill. In the event of a disputed bill, the customer may request and the utility shall provide customers receiving bills in a specialized format with a utility formatted billing details that is understandable by a person who will be reviewing the bills ~~for potential error(s)~~.

AMEND

WAC 480-90/100-103 Information to consumers.

(3) The utility must provide to each applicant relevant rate information and a brochure that explains the rights and responsibilities of a utility customer. The brochure must include, at a minimum, information about the utility's regular business hours, the utility's mailing address, the utility's toll-free number, the twenty-four hour emergency number(s), and an explanation of the utility's processes to establish credit, deposits, billing, delinquent accounts, disconnection of service initiated by the utility, cancellation of service by the customer, the dispute resolution

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process, and the commission's informal complaint procedures to be followed if the customer remains dissatisfied with the utility's dispute process. The utility may provide this information in an electronic format consistent with provisions in this chapter governing the use of electronic information.

AMEND

WAC 480-90/100-153 Disclosure of private information.

(1) A gas/electric utility may not disclose or sell private consumer information with or to its affiliates, subsidiaries, or any other third party for the purposes of marketing services or product offerings to a customer who does not already subscribe to that service or product, unless the utility has first obtained the customer's written or electronic permission to do so.

(2) Private consumer information includes the customer's name, address, telephone number, and any other personally identifying information, as well as information related to the quantity, technical configuration, type, destination, and amount of use of service or products subscribed to by a customer of a regulated utility that is available to the utility solely by virtue of the customer-utility relationship. For each individual service or product offering, the utility must obtain and maintain a record of customer consent for the disclosure of private consumer information.

AMEND

WAC 480-90/100-178 Billing requirements and payment date.

(4) With the consent of the customer, a utility may provide billings in electronic form if the bill meets all the requirements for the use of electronic information in this chapter. The utility must maintain a record of the consent as a part of the customer's account record, and the customer may change from electronic to printed billing upon request, as provided in this chapter. The utility must complete the change within two billing cycles of the request.

AMEND

WAC 480-90-194 Publication of proposed tariff changes to increase charges or restrict access to services. Each gas utility offering service under tariff must publish or provide electronically all proposed changes to its tariff for at least thirty days, as required by RCW 80.28.060. For any proposed tariff change that would increase recurring charges, except purchased gas adjustment (PGA) filings as provided in subsection (5) of this section, or restrict access to services (e.g., discontinue a service, or limit access to service by imposing a new usage level on existing services), a utility must fulfill the requirements of subsection (1), (2), or (3) of this section. For any other proposed tariffs, the utility must fulfill the requirements of WAC 480-90-195. The utility will not be required to accomplish publication under this section if it has agreed to suspend its tariff filing and to provide notice as provided under WAC 480-90-197. The utility may provide this information in an electronic format consistent with provisions in this chapter governing the use of electronic information.

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WAC 480-100-194 Publication of proposed tariff changes to increase charges or restrict access to services. Each electric utility offering service under tariff must publish or provide electronically all proposed changes to its tariff for at least thirty days, as required by RCW 80.28.060. For any proposed tariff change that would increase recurring or per-occurrence charges or restrict access to services (e.g., discontinue a service, or limit access to service by imposing a new usage level on existing services), a utility must fulfill the requirements of subsection (1), (2), or (3) of this section. For any other proposed tariffs, the utility must fulfill the requirements of WAC 480-100-195. The utility will not be required to accomplish publication under this section if it has agreed to suspend its tariff filing and to provide notice as provided under WAC 480-100-197. The utility may provide this information in an electronic format consistent with provisions in this chapter governing the use of electronic information.

AMEND

WAC 480-90/100-194

(1) Thirty-day notice to individual customers. To comply under this method, the utility must, at least thirty days before the stated effective date of the proposed change, mail or provide electronically the posting to each customer that would be affected by the proposed change. The posting must include information listed in subsection (4) of this section. The utility may provide this information in an electronic format consistent with provisions in this chapter governing the use of electronic information.

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WAC 480-90/100/194

(3) Reduced publication with shortened notice to individual customers. To comply under this method, the utility must:

(a) Mail or provide electronically the posting to each customer that would be affected by the proposed change at least fifteen days before the stated effective date of the proposed change; The utility may provide this information in an electronic format consistent with provisions in this chapter governing the use of electronic information;

AMEND

WAC 480-90-194

(5) Optional method of publication for purchase gas adjustment (PGA). A utility that publishes notice of a PGA filing pursuant to this subsection is not required to publish notice of the filing pursuant to subsection (1), (2), or (3) of this section.

(c) The utility must ~~mail~~ provide the notice to each affected customer by U.S. mail or by electronic means consistent with the provisions in this chapter governing the use of electronic information. The utility must also send the notice or a press release about the increase to every daily paper within its service territory.