

1 **Q. Please state your name, business address, and present position with**
2 **PacifiCorp d/b/a Pacific Power & Light Company (PacifiCorp or Company).**

3 A. My name is Barbara A. Coughlin. My business address is 825 NE Multnomah
4 Street, Suite 800, Portland, Oregon 97232. My present position is Director,
5 Customer & Regulatory Liaison in the Customer Services Department.

6 **Qualifications**

7 **Q. Please describe your education and professional experience.**

8 A. I have worked in the gas and electric utility industry since 1978. I received a
9 Legal Assistant Certificate from Marycrest College in 1991. From 1978 to 1997,
10 I held various positions of increasing responsibility within the legal/regulatory
11 department of Iowa-Illinois Gas and Electric, a predecessor company to
12 MidAmerican Energy Company. In 1997, I was promoted to a customer services
13 supervisor, and in 1999, I was promoted to customer services manager at
14 MidAmerican Energy Company. I worked as manager of regulatory projects at
15 PacifiCorp from 2006 through 2008, when I was promoted to my current position
16 as Director of Customer & Regulatory Liaison.

17 **Purpose of Testimony**

18 **Q. What is the purpose of your testimony?**

19 A. The purpose of my testimony is to propose changes to Rule 6, *General Rules and*
20 *Regulations*, and Schedule 300, *Charges as Defined by the Rules and Regulations*,
21 of the Company's Washington tariff schedules. The Company is proposing
22 changes to some Schedule 300 charges after a review of the charges concluded a
23 number of them do not align with the current actual costs. By aligning the

1 charges with current actual costs, the costs would be paid by the cost-causer,
2 rather than by the Company's other customers. My testimony will first address
3 the proposed wording changes to Rule 6, followed by the proposed changes to
4 Schedule 300. The proposed changes to Rule 6 and Schedule 300 are included in
5 Exhibit No.____(JRS-2).

6 **Rule 6.I—Permanent Disconnection and Removal of Company Facilities**

7 **Q. Please describe the specific changes the Company is proposing to Rule 6.I?**

8 A. The Company proposes wording changes to Rule 6, section I, *Permanent*
9 *Disconnection and Removal of Company Facilities*, to reflect the changes the
10 Company is proposing to the Residential Service Removal Charge in Schedule
11 300. Specifically, the Company proposes to replace the reference to the
12 Residential Service Removal Charge with a general reference to the removal
13 charges listed in Schedule 300. The Company also proposes to make minor
14 language changes to clarify how the Company calculates the actual removal costs
15 that are billed to customers and to delete paragraph 5 of Section I.

16 **Q. Why is the Company proposing these changes?**

17 A. The proposed changes to Rule 6.I are necessary to align the language of the rule
18 with the changes proposed to Schedule 300. As discussed later in my testimony,
19 the Company proposes to eliminate the set fees that residential customers pay for
20 requesting removal of service drops and meters and instead charge customers the
21 actual costs for these removals. To be consistent with Schedule 300, Rule 6.I
22 requires minor wording changes.

23 In addition, the Company proposes to explicitly state on Schedule 300

1 how the costs of permanent disconnection and removal of facilities are calculated,
2 and align paragraphs 2 and 4 of Rule 6.I to the revised Schedule 300. These
3 proposed changes use terminology that is similar to other language in the tariff
4 (for example, in Rule 6.H) to ensure consistency and reduce confusion. With
5 these clarifications to paragraphs 2 and 4, paragraph 5 is no longer needed.

6 **Schedule 300—Charges as Defined by the Rules and Regulations**

7 **Q. Please describe the changes the Company proposes to Schedule 300.**

8 A. The separate charges for residential underground and overhead service, and the
9 separate charge for all other residential and non-residential services, are no longer
10 necessary as the Company proposes to charge actual costs for all permanent
11 disconnection and removal of facilities. As a result, the Company is proposing
12 one charge titled Permanent Disconnection and Facilities Removal Charge for all
13 removals under Rule 6.I.

14 The Company proposes to modify the amounts for the following charges:

- 15 • Permanent Disconnection and Facilities Removal Charge
- 16 • Reconnection Charge
- 17 • Unauthorized Reconnection/Tampering Charge

18 The Schedule 300 changes are further described below.

19 **Permanent Disconnection and Facilities Removal Charge**

20 **Q. Please describe the Permanent Disconnection and Facilities Removal Charge.**

21 A. The Permanent Disconnection and Facilities Removal Charge is used when a
22 customer requests that the Company permanently disconnect service or when a
23 customer elects to change electric service providers and the Company

1 permanently removes electric facilities. If the facilities will no longer be used by
2 the Company at the site, the Company will remove the facilities at the customer's
3 expense in accordance with Rule 6.I.

4 **Q. What is the current facilities removal charge?**

5 A. The current charge for removal of a residential overhead service drop and meter is
6 \$200.00. The current charge for removal of a residential underground service
7 drop and meter is \$400.00. The current charge for removal of all other residential
8 service and non-residential service is actual costs less salvage.

9 **Q. What is the proposed change to the current facilities removal charges?**

10 A. The Company proposes to establish one permanent disconnection and facilities
11 removal charge for all removals of service under Rule 6.I., which is a charge of
12 actual removal cost, less salvage and depreciation.

13 **Q. Why is the Company proposing this change instead of requesting an increase
14 to the fixed residential service removal charge?**

15 A. The Company reviewed its costs associated with removal of overhead and
16 underground residential service drops and meters and determined that the current
17 charges do not reflect the actual costs associated with performing this work.

18 A removal charge that reflects actual costs ensures that the costs are borne by the
19 cost-causer, rather than the Company's other customers. Additionally, each
20 removal has unique characteristics and the use of actual costs rather than fixed
21 costs is more equitable to the Company, requesting customer, and all other
22 Company customers. This approach is particularly important in Washington,
23 where there is no allocated service territory.

1 **Reconnection Charge**

2 **Q. Please describe the reconnection charge.**

3 A. The reconnection charge is assessed when a customer has been disconnected due
4 to default or non-payment of their energy bill and then requests reconnection of
5 service.

6 **Q. What is the Company's current reconnection charge?**

7 A. For service reconnections performed during normal business hours (Monday
8 through Friday from 8:00 a.m. to 4:00 p.m., excluding holidays), the Company
9 charges \$25.00. For service reconnections requested to be performed on Monday
10 through Friday from 4:00 p.m. to 7:00 p.m. (excluding holidays), the Company
11 charges \$50.00. For requests for service reconnection from 8:00 a.m. to 7:00 p.m.
12 on weekends and holidays, the Company charges \$75.00.

13 **Q. What are the Company's proposed changes to the Reconnection Charge?**

14 A. For service reconnections performed during normal business hours (Monday
15 through Friday from 8:00 a.m. to 4:00 p.m., excluding holidays), the Company
16 proposes a reconnection charge of \$50.00. For service reconnections requested to
17 be performed on Monday through Friday from 4:00 p.m. to 7:00 p.m. (excluding
18 holidays), the Company proposes a reconnection charge of \$100.00. For service
19 reconnections requested to be performed from 8:00 a.m. to 7:00 p.m. on weekends
20 and holidays, the Company proposes a reconnection charge of \$175.00.

21 The current and proposed reconnection charges are summarized below:

	Current Schedule 300 Charge	Proposed Schedule 300 Charge
Reconnection Monday-Friday, 8:00 a.m. to 4:00 p.m. (excluding holidays)	\$25.00	\$50.00
Reconnection Monday-Friday, 4:00 p.m. to 7:00 p.m.	\$50.00	\$100.00
Reconnection Weekends and holidays 8:00 a.m. to 7:00 p.m.	\$75.00	\$175.00

1 **Q. What is the Company's current actual cost to reconnect service?**

2 A. The cost to reconnect service for customers during normal business hours is
3 approximately \$57.00. The cost to perform this work after hours ranges from
4 approximately \$305.00 on weekdays to approximately \$360.00 on weekends and
5 holidays.

6 Reconnection work is performed by a field specialist or a journeyman
7 lineman, depending on when the reconnection work takes place. The
8 reconnection work allocated between field specialists and journeyman linemen
9 during the period July 1, 2011, through June 30, 2012, was:

- 10 • 87 percent is completed by field specialists and 13 percent is
11 completed by journeyman linemen, Monday through Friday from 8:00
12 a.m. to 4:00 p.m. (excluding holidays).
- 13 • 31 percent is completed by field specialists and 69 percent is
14 completed by journeyman linemen, Monday through Friday from 4:00
15 p.m. to 7:00 p.m. (excluding holidays).
- 16 • 100 percent is completed by journeyman linemen on weekends and
17 holidays from 8:00 a.m. to 7:00 p.m.

1 Because the hourly rate for a journeyman lineman is higher than that of a
2 field specialist, the cost to complete the after-hour reconnect is higher.
3 Additionally, journeyman linemen charge a minimum of two hours for all after-
4 hours reconnection work.

5 **Unauthorized Reconnection/Tampering Charge**

6 **Q. Please describe the Unauthorized Reconnection/Tampering Charge.**

7 A. This charge is assessed when a Company employee visits a site to perform an
8 initial investigation for unauthorized reconnection of service. Unauthorized
9 reconnection generally involves situations where a customer removes the device
10 referred to as a “boot.” The boot is installed by the Company to discontinue the
11 flow of energy to the meter at the time service is terminated for nonpayment of
12 electric service. To re-energize the meter, the customer removes the boot, and the
13 energy used by the customer is then recorded on the meter. The Company’s cost
14 for investigating and resolving these situations is intended to be recovered
15 through the Unauthorized Reconnection/Tampering Charge.

16 Unauthorized reconnection can also include situations where a customer
17 installs equipment to bypass the meter or divert energy. Because the meter is
18 bypassed, the energy that is used is not registered on the meter. Although less
19 common, diversion situations can be complex, will typically take longer than one
20 hour to investigate and require assistance from multiple employees.

21 **Q. What is the Company’s current Unauthorized Reconnection/Tampering**
22 **Charge?**

23 A. The Unauthorized Reconnection/Tampering Charge is currently \$75.00.

1 **Q. Why is the Company requesting an increase to the Unauthorized**
2 **Reconnection/Tampering Charge?**

3 A. The Company proposes to increase the Unauthorized Reconnection/Tampering
4 Charge to \$180.00 to better reflect the actual average cost incurred by the
5 Company to perform the initial investigation of the unauthorized reconnection.

6 **Q. What is the Company's current actual average cost for investigating an**
7 **unauthorized reconnection?**

8 A. The estimated cost of investigating an unauthorized reconnection is
9 approximately \$180.00. This cost only covers the initial investigation of the
10 unauthorized reconnection performed by the journeyman meter man. Given that
11 the costs associated with diversions can vary significantly based on the time and
12 resources needed to fully investigate, the costs associated with investigating
13 diversions are not included in the \$180.00 estimate.

14 **Q. How many times was this charge assessed during the test period?**

15 A. The Company had 44 instances where the Unauthorized Reconnection/Tampering
16 Charge was assessed in Washington during the period from July 1, 2011, through
17 June 30, 2012. Given the difference between the current charge and the actual
18 average cost, approximately \$4,620.00 was not charged to the customer (cost
19 causer) under the current Schedule 300.

20 **Q. Does this conclude your direct testimony?**

21 A. Yes.