COMMISSION



July 15, 2020

VIA ELECTRONIC FILING

Mark L. Johnson Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Re: Docket U-200281—PacifiCorp's Comments Regarding Response to COVID-19 Pandemic

PacifiCorp dba Pacific Power & Light Company (PacifiCorp), appreciates the opportunity to respond to the Commission's Notice of Opportunity to Comment issued on July 1, 2020. PacifiCorp is encouraged by the Commission's leadership in coordinating efforts to respond to the COVID-19 pandemic. The Company supports the development of Washington-specific guidelines to ensure that access to essential utility services can be maintained for customers as the Governor's Proclamation 20-23 expires at the end of July.

As discussed at the June 16, 2020 special open meeting, providing safe, reliable, and affordable service to customers is a top priority for PacifiCorp, and the Company recognizes that what is "affordable" may have temporarily shifted during this time for a lot of our customers. PacifiCorp looks forward to participating in discussions with the Commission and stakeholders to find creative solutions to proactively address issues and ensure a smooth transition as Washington recovers from this public health crisis, and offers the following additional comments for the Commission's consideration at this time.

Unified and Central Messaging

First and foremost, PacifiCorp encourages the Commission to ensure coordinated messaging to avoid confusion and promote a positive, collective outlook for Washington customers. If a customer hears conflicting information from the utility, the Commission, or various stakeholder groups, it will cause unnecessary confusion for customers. This will also undermine efforts by the Commission and partnering utilities and stakeholders to put Washington customers at ease regarding their access to essential services. To that end, PacifiCorp recommends that any broad communication from the Commission also encourage customers to directly contact the utility for information regarding COVID-19 related programs.

Proactive Utility Communication

Recognizing that many customers may be experiencing difficulties paying their bills for the first time because of COVID-19, PacifiCorp recommends employing proactive utility communication strategies to assist customers who are behind on their bills. These communications can be helpful for customers by educating them on available options such as assistance programs and payment arrangements, as well as tools that help customers learn how to monitor and reduce their bills.

Washington Utilities and Transportation Commission July 15, 2020 Page 2

PacifiCorp has already begun reaching out to customers to provide assistance for accumulated balances, and is using multiple methods of outreach to reach as many customers as possible. For example, the Company has:

- Provided information for energy assistance for each county on customers monthly bill;
- Mailed postcards and letters, conducted outbound calling, and sent emails
 to all customers with past due balances providing information on
 assistance and encouraging customers to contact the company to make
 payment arrangements on any arrears; and
- Developed a webpage to confirm the actions the company has taken in response to the COVID pandemic, along with additional information and frequently asked questions.

In response to this outreach, several long-term payment arrangements are being offered with the goal to find the best fit for the customer's current economic situation. The Company offers 12-month deferred payment plans, but has modified the terms to respond to the financial challenges that customers face. The monthly installment is lowered for the first four months and is progressively increased to bring the account current. These plans can be either an equal payment plan with progressively higher payments or a time payment plan where the current charges are paid with an extra payment each month towards the past due amount. If needed, all plans can be renegotiated at the end of the 12 months. For small businesses impacted by the pandemic, the Company is offering a six-month deferred payment plan with a twenty percent down payment.

When the appropriate time comes to resume normal practices, PacifiCorp plans to notify all customers several weeks before reinstating active collections. The Company acknowledges the need for flexibility on the timeline regardless of the reopening phase of each of its communities as it will take some time for the economy and our customers' financial situations to stabilize.

One item to cautiously consider is the historical impact of final disconnect notices. Historically, an average of 50 percent of collections are cancelled after the receipt of the final disconnect notice with the percentage of past due balances decreasing with each subsequent contact prior to disconnecting service. For example, in June of 2019, 7,899 disconnection notices were sent out but only 44 disconnections were performed for nonpayment of bills. While the Company has suppressed all disconnection notices due to the moratorium, this may be having an unintended consequence as customers are not getting the routine cues to pay their electric bill.

Obligation to Serve

PacifiCorp has an obligation to serve customers within its service area, and such service is critical during times when people are at home. Any near-term policies established may entail increased costs or higher risks for the utility. A component of any policies adopted should address the utility's opportunity to recover those costs.

Flexibility

Lastly, PacifiCorp requests that the Commission allow for flexibility among the different utilities to allow for any variables in the different areas and counties that we serve.

Washington Utilities and Transportation Commission July 15, 2020 Page 3

PacifiCorp appreciates the opportunity to provide comments in response to the Notice. Please direct any questions related to these comments to Ariel Son, Regulatory Affairs Manager, at (503) 813-5410.

Sincerely,

/s/ Etta Lockey Vice President, Regulation PacifiCorp 825 NE Multnomah St., Suite 2000 Portland, Oregon 97232 (503) 813-5701 etta.lockey@pacificorp.com