

Utah Power to credit bills for big outage

By Steven Oberbeck

The Salt Lake Tribune

Tuesday, February 3, 2004

Utah Power said Monday it will give customers hardest hit by the late December snowstorm a "goodwill credit" on their bills.

The power company, a subsidiary of Portland, Ore.-based PacifiCorp, said customers who went without electricity will be compensated on a sliding scale based on the length of time they were without power.

"The company is providing this billing credit because the quality of service we provided to customers during this storm was not up to our usual standards for communications and information," Rich Walje, a PacifiCorp executive vice president, said in a statement announcing the credits.

Utah Power estimates the credits will cost the company's shareholders more than \$2 million.

The company is uncertain how many customers are eligible to receive the credits, spokesman Dave Eskelsen said. "Right now we're crediting customers who already have filed claims with us," he said. "If customers still need to file a claim they have until Feb. 26 to call us."

Utah Power said it will begin applying the credit to customers' bill as early as Feb. 3.

The company is offering the "goodwill" credit independently of its customer service guarantee program, which PacifiCorp's owner Scottish Power established in 1999 before acquiring Utah Power's parent company.

Under the guarantee program, Utah Power offers to pay customers \$50 if their electricity goes out and is not restored within 24 hours. It offers customers \$25 for each additional 12-hour period they go without electricity.

However, the company's service guarantee program does not apply if an outage is weather related.

Utah Power still is investigating the December outage and has not yet decided whether it will ask the Public Service Commission to determine whether the outage was a weather-related event.

If the PSC eventually decides the snowstorm caused the outage, the utility would not have to pay any customers under its service guarantee program, and customers whose power was out 24 to 48 hours would receive no reimbursement.

If the PSC decides the guarantee program should apply, customers who lost power for 24 hours or more will be compensated, but whatever goodwill credits were paid likely will be used to offset payments due under the service guarantee program, Eskelsen said.

Crossroads Urban Center utility analyst Jeff Fox said Utah Power is doing the right thing in offering the goodwill credits. "It is a good step toward restoring the company's credibility," he said.

Roger Ball, director of the Utah Committee of Consumer Services, said Utah Power should be commended for "getting off the dime and beginning to reimburse its customers for the outage. Once their investigation is completed, it could be that they did not owe any of their customers anything. Or it could be they owe more people more money."

Outage victims to get \$100 or more

By Dave Anderton

Deseret Morning News

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Thousands of Wasatch Front residents who lost their electricity after a winter blizzard in December will be eligible for a goodwill credit of \$100 or more.

Utah Power announced Monday that customers who went without service 48 hours to 71 hours will be entitled to \$100. Those who were without power for 72 hours to 95 hours will see \$150, and customers without service 96 hours or longer can expect \$200. The credits will begin showing up on customers' billing statements as early as today.

"We publicly apologized, and now we think it is appropriate to follow that up with a billing credit, mostly as a commitment that we care about good customer service," said Dave Eskelsen, a spokesman for Utah Power. "We recognize that there was a great deal of frustration that customers had to deal with in terms of communicating with the company and getting information back."

At the height of the post-Christmas storm — which dumped nearly two feet of snow in the valleys and more than four feet of snow in the mountains — at least 70,000 customers were without power, some for as long as five days. A second storm on New Year's Day cut off electricity to another 14,000 customers.

Ron Madsen, an East Millcreek resident whose family went without electricity for four days, said he thinks the credit is "a little low" but was happy to hear the utility was making the gesture. Madsen paid \$300 in hotel bills and ended up purchasing a \$1,200 generator to power his furnace blower and keep his refrigerator operating.

"Some of us think it's a little absurd that the system is so prone to catastrophic failure right during the time of year it is the most needed," Madsen said. "The credits are all fine and good, but they really need to start focusing on fixing the infrastructure so it is immune to that. This is, after all, a new century."

Nicole Saville, also of East Millcreek, was without power for three days and was happy to hear of the credit.

"That is not a huge amount, but I don't think \$100 is necessarily trivial," said Saville, who has four children. "One hundred dollars pays for almost a week's worth of groceries. I don't think that's insignificant."

The credits are separate from the utility's customer service guarantee program, which credits customers whose power is disrupted in non-weather-related events.

Customers who have already called Utah Power under that program do not need to call again, Eskelsen said. Those who have not filed a claim should call 1-800-523-3433 by Feb. 26. The number will be staffed from 8 a.m. to 7 p.m. Monday through Friday and 9 a.m. to 1 p.m. on Saturday.

Customers whose power was out less than 48 hours will not receive the credit. The credit applies only to residential customers and not commercial or industrial users.

Eskelsen estimated the credit would cost the company more than \$2 million. The cost will be charged to shareholders.

State utility regulators are conducting a formal investigation into the outages. The utility is expected to issue a report to regulators in March.

How to get a credit

Utah Power customers who were without electricity for 48 hours or longer after December's big storm are entitled to a credit of \$100 or more. Customers should call 1-800-523-3433 to make a claim. The number will be staffed from 8 a.m. to 7 p.m. weekdays and 9 a.m. to 1 p.m. Saturdays through Feb. 26.

Customers who have previously called the company's customer service guarantee program, a separate program, do not need to file an additional claim.

**Utah Power plans to offer credits for snow problems
It affects those with outages of at least 48 hours**

Tue, Feb 3, 2004

By JEFF DEMOSS

Standard-Examiner staff

SALT LAKE CITY -- Utah Power is offering credits of up to \$200 to customers who experienced prolonged power outages as a result of heavy snowstorms in late December.

The "goodwill credit" will be applied to customers' monthly bills. Three amounts are being offered, depending on the duration of each individual outage: \$100 for 48 to 71 hours, \$150 for 72 to 95 hours, and \$200 for those who went 96 or more consecutive hours (four days) without power.

"The company is providing this billing credit because the quality of service we provided to customers during this storm was not up to our usual standards for communications and information," Rich Walje, Utah executive vice president for Utah Power parent company PacifiCorp, said in a prepared statement.

The company's automated call center broke down during the first storm, and operators were unable to field thousands of calls from affected customers.

Company spokesman Dave Eskelsen said most eligible customers are in the Salt Lake City area, but an unknown number in Davis and Weber counties also were in the dark for two or more days.

He said Utah Power originally estimated that 70,000 homes statewide and 8,000 in the Top of Utah experienced prolonged outages beginning on Dec. 26, but the actual number is "probably a lot larger than we originally reported.

"As soon as we finish our inquiry, we will have some hard numbers," he said.

The company is auditing itself per an agreement with the Utah Public Service Commission and local consumer groups, who criticized the company's handling of the situation.

Roger Ball, director of the Utah Committee of Consumer Services staff, said the group is pleased with Utah Power's decision.

"It's good they are making these payments now," he said. "It will offer some compensation to those customers who suffered the most, and sooner rather than later. It's an all-around good thing, even if this isn't the end of it."

The PSC is investigating to determine whether the storm should be classified as a major event, which would essentially place blame for the prolonged outages on the weather instead of on Utah Power.

"If the PSC declares this was a major event, then this will be a payment the company has made just to show how serious it is about its apologies," Ball said.

Between 10 and 60 inches of snow fell on Northern Utah from Christmas Day through Dec. 27, and several more inches fell through the end of the year.

Utah Power said it will begin providing the credits, which could surpass \$2 million, as early as today.

Eskelsen said the company has been tracking all previous claims by account number, so those who have already filed a claim don't need to do it again to receive the credit.

A special phone line, (800) 523-3433, has been set up to answer questions about the plan. Utah Power is asking customers who have not yet registered a claim to call the number by Feb. 26.