

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Investigation of the Power)
Outage:)
December 2003)

DOCKET NO. 04-035-01

ORDER DENYING PETITION TO
EXTEND CLAIM PERIOD

ISSUED: February 27, 2004

By the Commission:

On January 23, 2004, the Committee of Consumer Services (Committee) filed a Petition to suspend the claim period for customer claims related to power outages associated with Utah Power and Light Company's (Utah Power or Company) power interruptions arising from a December 26, 2003, winter storm. The Committee's Petition seeks to extend the 30 day limitation period specified in Utah Power's Electric Service Regulation No. 25. That provision of the Company's tariff requires customers to file their claims within 30 calendar days of an outage, in order to obtain outage compensation pursuant to the Utah Power's Customer Guarantees. The Customer Guarantees provide various levels of financial compensation, depending upon the duration of the outage, to customers whose electrical service is interrupted. The Company may be relieved of these Customer Guarantees if the outage is determined to have resulted from a "major event." The Committee argues that because the December 26 storm may ultimately be considered a "major event," the claim period should be extended until the Commission has concluded whether the storm and its associated outages qualify for the "major event" classification.

On January 23, 2004, AARP filed its Joinder to the Committee's Petition. AARP provided no additional rationales for its support of the Committee's request. The Division of Public Utilities (DPU), filed its Response to the Committee's Petition on February 9, 2004. The DPU opposed the suspension. The DPU argues that the Committee's Petition provides insufficient legal basis to alter, in a retroactive manner, Utah Power's existing tariff for an open-ended claim period after the tariff's time period has expired.

On February 2, 2004, Utah Power announced that it would voluntarily provide good will compensation (as bill credits) to customers whose service was interrupted from the storm. Payments would be made to customers who filed their requests by February 26, 2004. The voluntary credits offered by Utah Power are similar in amounts to the compensation that would be provided under the Customer Guarantees; they are, however, less for those customers who experienced longer outages. The Company's goodwill offer was reported in the news media and the Company placed ads in newspapers advertising the offer. Through a February 9, 2004, Opposition to the Petition, Utah Power opposed the Committee's request to suspend the tariff's Customer Guarantees claim period. The Company argued that its voluntary goodwill payments offer made the suspension unnecessary. Like the DPU, the Company also argued that the Committee's request is not supported, in the Company's view of Utah law; the Commission lacks authority to provide the relief sought by the Committee. On February 18, 2004, AARP filed a Motion to Withdraw its Joinder. AARP stated it did so as it believed that Utah Power's goodwill compensation offer was both equitable and reasonable. AARP suggested that the Commission review the Customer Guarantee process in a future general rate case, to consider whether the "major event" determination process could be altered to provide customers more time in which to file their claims. AARP has supplemented the Company's advertisements, providing additional ads informing customers of the availability of the goodwill credits if claims are made by February 26, 2004.

The Commission has considered the pleadings filed herein and concludes that it will deny the Committee's Petition. The Commission finds that a public interest consideration that could support providing customers a longer time period to file their Customer Guarantees claims has been obviated by the Company's goodwill compensation offer. If there were customer confusion or ignorance concerning the tariff's clear 30 day time period language, the Company's offer to accept goodwill compensation requests through February 26 has provided a satisfactory alternative in lieu of the Regulation 25 Customer Guarantee claims. Customers who would qualify for the Customer Guarantee claims could have submitted them pursuant to the tariff's provisions. Those who failed to do so may still obtain similar compensation if they submit their claim by February 26, 2004. This alternative to time precluded customers has been widely advertised to potential claimants. We agree with AARP's characterization that this

alternative is “both equitable and reasonable.” The public interest consideration for the Committee’s request has been met under these circumstances.

DATED at Salt Lake City, Utah, this 27th day of February, 2004.

/s/ Ric Campbell, Chairman

/s/ Constance B. White, Commissioner

/s/ Ted Boyer, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary

GW#37195