



State of Utah  
Department of Commerce  
Division of Public Utilities

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## ACTION REQUEST RESPONSE

To: Utah Public Service Commission

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Energy Section Manager

Justin Christensen Utility Analyst II

Brenda Salter Utility Technical Consultant

Date: 04/16/2013

Re: **Recommendation –Approval, Rocky Mountain Power proposed Tariff page change to Electric Service Regulation 3**

Docket No. 13-035-T08

### RECOMMENDATION (APPROVAL)

The Division recommends that the Commission approve Rocky Mountain Power's (Company) proposed modification to Electric Service Regulation 3.

### ISSUE

On April 5, 2013 the company filed a request to modify Electric Service Regulation 3. The Company is proposing to add language to Electric Service Regulation 3 to indicate customers are responsible for reasonable court costs, attorney's fees and/or collection agency fees incurred in the collection of unpaid debt following the due date of their closing bill. The Company requests an effective date of May 6, 2013. On April 5, 2013 the Commission issued an Action Request for the Division to investigate the change. This memorandum represents the Division's response to the Commission's Action Request.

## **DISCUSSION**

The added language the Company proposes is as follows:

*Subsequent to the termination or suspension of service and following the due and payable period of the Customer's closing bill, the Customer will be responsible for any reasonable costs associated with the collection of unpaid accounts, including but not limited to: court costs, attorney's fees, and/or collection agency fees. If an applicant with a recoverable balance assigned to a collection agency requests new service, and if their application is approved and all required charges are paid, the Company will cancel the collection agency assignment and transfer the remaining debt to the customer's current account, so long as legal action has not been initiated by the collection agency. The collection agency will not assess a fee to the customer when a past due balance is transferred to the customer's current account.*

The Company has stated that during the year 2012, they paid approximately \$418,000 to collection agencies for Utah customers. Although the annual amount is relatively minor, the language change is consistent with the principle of ratepayer neutrality. Therefore, the Division believes the change is in the public interest.

Pursuant to the requirement of Rule R746-405-2D, the Company states that the proposed tariff sheets do not constitute a violation of state law or Commission rule.

## **CONCLUSION**

The Division has reviewed the filing and recommends that the Commission approve the added aforementioned language to Electric Service Regulation 3.

CC:

Dave Taylor, RMP  
Jeffrey Larsen RMP  
Michele Beck, OCS  
Service List