

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of Rocky Mountain Power’s)
Proposed Changes to Electric Service) DOCKET NO. 13-035-T08
Regulation No. 3 to Indicate Customers are)
Responsible for Reasonable Court Costs,) ORDER APPROVING PROPOSED TARIFF
Attorney Fees and/or Collection Agency Fees)
Incurred in the Collection of Unpaid Debt)
Following the Due Date of Their Closing Bill)

ISSUED: August 2, 2013

By The Commission:

BACKGROUND

On April 5, 2013, Rocky Mountain Power, a division of PacifiCorp (“Company”) filed proposed changes to Electric Service Regulation No. 3, Electric Service Agreements, which provides proposed language to hold defaulting customers responsible for attorney fees and costs when those customers’ accounts go unpaid. For purposes of our review, the following underlined proposed provision would have gone into effect on May 6, 2013, unless suspended by the Commission:

DEFAULT BY CUSTOMER

For any default or breach by the Customer of a Service Agreement, including failure to pay bills promptly, the Company in addition to all other legal remedies, may terminate the Service Agreement or suspend the supply of service in accordance with Electric Service Regulation No. 10. 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.

On April 5, 2013, the Commission requested the Division of Public Utilities ("Division") to investigate and review the proposed changes. On April 18, 2013, the Division filed its review and recommendation. The Division recommended the Commission approve the proposed modification to Electric Service Regulation No. 3.

Subsequently, on April 29, 2013, both the Office of Consumer Services ("Office") and Salt Lake Community Action Program ("SLCAP") filed comments opposing the proposed modification to Electric Service Regulation No. 3. Both the Office and SLCAP asserted the Company's proposed change should be raised in a general rate case rather than in this docket.

In light of the Company's proposed changes to Electric Service Regulation No. 3, and the diverging views submitted in response to the Company's proposal, the Commission determined it would be in the public interest to further examine the concerns at issue by holding a scheduling conference and noticing this matter for hearing. Accordingly, consistent with Utah Code Ann. § 54-7-12(5)(b), we suspended the proposed modification to Electric Service Regulation No. 3 pending further proceedings.¹

On May 14, 2013, the parties met to discuss a schedule for this docket. On June 11, 2013, the Commission held a technical conference to allow the Company an opportunity to present its proposed changes to Electric Service Regulation No. 3, and to offer parties an

¹ See Order Suspending Proposed Changes to Electric Service Regulation No. 3, issued May 3, 2013.

opportunity for questions and answers. On July 1, 2013, the Commission held a duly-noticed hearing at which all the parties appeared.

DISCUSSION, FINDINGS, AND ORDER

We agree with the Company's general notion supporting its proposed changes to Electric Service Regulation No. 3; namely, that it is prudent to hold defaulting customers accountable for their own debts rather than rate payers generally.

Next, we approve the tariff as proposed.

Lastly, we direct the Company to assure that its first communication with a customer whose service has been terminated and whose billing is not paid by the due date includes: A) a description of the maximum collection fee provided in Utah Code Ann. §§ 12-1-11(3)(a)-(b) and (4) (currently 40 percent of the unpaid balance), and B) a statement consistent with the Utah Code that such fee may be assessed in addition to applicable court costs and attorney fees.

DATED at Salt Lake City, Utah this 2nd day of August, 2013.

/s/ Ron Allen, Chairman

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
DH#246042

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Notice of Opportunity for Agency Review or Rehearing

Pursuant to §§ 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this Order by filing a written request with the Commission within 30 days after the issuance of this Order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission does not grant a request for review or rehearing within 20 days after the filing of the request, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of §§ 63G-4-401 and 63G-4-403 of the Utah Code and Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on the 2nd day of August, 2013, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

Data Request Response Center (datarequest@pacificorp.com)
PacifiCorp

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By Hand-Delivery:

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