

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of Rocky Mountain Power’s )  
Petition for Limited Waiver of ) DOCKET NO. 15-035-22  
R746-200-7(G)(1), Notice of Proposed ) ORDER  
Termination of Service )  
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ISSUED: May 22, 2015

SYNOPSIS

The Commission approves Rocky Mountain Power’s Petition for a Limited Waiver of R746-200-7(G)(1). The Commission grants Rocky Mountain Power a limited exemption whereby it may send a ten-day termination notice to customers by email rather than U.S. mail. The exemption applies only to customers who have elected to participate in the company’s paperless billing program and it will expire two years from the date of this Order. Rocky Mountain Power must file a report by November 30, 2016, to apprise the Commission of the effect, if any, the exemption has had on termination rates and customer complaints.

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BACKGROUND

On February 25, 2015, Rocky Mountain Power, a division of PacifiCorp (“RMP” or the “Company”), filed its Petition for Limited Waiver of R746-200-7(G)(1), Notice of Proposed Termination of Service (“Petition”). On March 2, 2015, the Commission issued a Notice of Filing and Comment Period, establishing a due date for comments (April 1, 2015) and a due date for replies (April 16, 2015). Both the Division of Public Utilities (“Division”) and the Office of Consumer Services (“Office”) submitted comments on April 1, 2015. No reply comments were filed.

Commission rules impose several conditions that utilities must satisfy before terminating service for nonpayment, including the requirement that utilities give customers written notice at least ten calendar days prior to termination (“ten-day notice”). Utah Admin. Code

R746-200-7(G)(1) (hereafter, the “Rule”). The Rule requires utilities to deliver the ten-day notice by “first class mail or delivery to the premises.” The contents of the ten-day notice are prescribed in the rule, and it must be followed by an additional attempt to contact the customer at least 48 hours prior to termination. *See* R746-200-7(G)(2).

The Petition requests a limited waiver of the Rule, allowing the Company to electronically deliver ten-day notices to customers who have opted into its paperless billing program rather than sending them by U.S. mail as the Rule otherwise requires.

The Company’s Position

The Company began offering paperless billing in 2001 and presently has 288,167 paperless billing customers, comprising approximately one-third of its customers. Participation in paperless billing is voluntary. Customers who participate may view their bills by logging onto the Company’s website, and they receive notifications via email every billing cycle informing them that their bill is available to be viewed online.

Presently, the Company sends ten-day notices to paperless billing customers both by email and U.S. mail. The Company asserts that allowing it to deliver ten-day notices to paperless billing customers only by email will be more efficient, less costly and accomplish the objective of notifying customers using a means for which the customer has expressed a preference. The Company asserts customers will be protected because it will continue to deliver five-day notices through the U.S. mail to comply with R746-200-7(G)(2) and will continue its practice of physically delivering a “door hanger” notice 48 hours prior to termination.

The Company projects that granting its request for the limited waiver will result in cost savings of approximately \$154,330 annually.

The Division's Comments

The Division generally supports granting the Petition and makes several recommendations. First, the Division recommends the Commission either incorporate the Company's request into the Rule (*i.e.* amend the Rule to allow ten-day notices to be issued electronically to paperless billing customers) or set the limited waiver to expire two years from the date of the Commission's Order. The Division also recommends the Company review its paperless billing terms and its website and update them to reflect the effect of the waiver. Finally, the Division recommends the Commission require the Company to file quarterly reports that compare the termination rate of those customers who have elected to receive electronic communication and those who have not and then identify any consumer complaints received as a result of the waiver's implementation. The Division recommends this reporting requirement terminate in two years.

The Office's Comments

Like the Division, the Office generally supports granting the Petition. The Office recommends the Commission require the Company to report to the Commission any complaints it receives as a result of the change. The Office also recommends the Company provide the ten-day notice via U.S. mail to any paperless billing customer who requests it. Finally, in response to the Office's Data Request No. 1.2, the Company represented that, should the waiver be granted, "[RMP] will deliver notification to paperless customers in the form of a [ten-day] email notification, a five-day U.S. Postal Service mailed disconnection notice, a reminder email three

days following the issuance of the five-day notice, an outbound phone call and a 48-hour door hanger delivered to the site.” The Office recommends the Commission order the Company to notify the Office and the Division in the event the Company modifies the notification procedure set forth in response to Data Request No. 1.2.

DISCUSSION, FINDINGS AND CONCLUSIONS

Commission rules allow a utility to petition for an exemption “[u]pon a showing that specified portions of these rules impose an undue hardship and provide limited benefit to its customers.” R746-200-1(F)(2). Having considered the Company’s Petition and the Comments of the Division and the Office, the Commission finds that requiring the Company to incur the costs attendant to providing a redundant ten-day notice via U.S. mail to customers who have elected to receive electronic communications may impose an unnecessary and undue hardship. Further, the Commission finds that requiring the Company to send a ten-day notice by U.S. mail to paperless billing customers likely provides limited benefit to customers because the rules require the Company to serve an additional paper notice and the Company’s stated intention is to (1) provide an additional mailed notice five days prior to termination; (2) attempt to notify the customer by telephone; and (3) hang a notice on the customer’s door 48 hours prior to termination.

ORDER

Based on the foregoing, the Petition for a limited waiver is granted. The Company is exempted from the provision of the Rule requiring the ten-day notice to be sent by U.S. mail, but this exemption applies only to customers who have voluntarily elected to participate in the Company’s paperless billing program and applies only to the extent the Company complies with

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all other requirements of R746-200-7. The limited exemption granted here will expire two years after the date of this Order, on May 22, 2017. The Company is ordered to file a report on or before November 30, 2016, providing the following information: (1) the number of non-paperless billing customers who received ten-day notices since the date of this Order and the number of those customers whose service was subsequently terminated; (2) the number of paperless billing customers who received ten-day termination notices since the date of this Order and the number of those customers whose service was subsequently terminated; and (3) the number of customer complaints the Company has received relating to the change in notification method and the content of those customer complaints. The Commission intends to utilize this report to consider whether to modify R746-200-7 in a manner consistent with this limited waiver.

DATED at Salt Lake City, Utah, this 22<sup>nd</sup> day of May, 2015.

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg  
Commission Secretary  
DW#266400

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Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the Commission within 30 days after the issuance of the 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 fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, 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 Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on the 22<sup>nd</sup> day of May, 2015, 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](mailto:datarequest@pacificorp.com))  
PacifiCorp

Jeffrey K. Larsen ([jeff.larsen@pacificorp.com](mailto:jeff.larsen@pacificorp.com))  
Daniel E. Solander ([daniel.solander@pacificorp.com](mailto:daniel.solander@pacificorp.com))  
Bob Lively ([bob.lively@pacificorp.com](mailto:bob.lively@pacificorp.com))  
Rocky Mountain Power

Patricia Schmid ([pschmid@utah.gov](mailto:pschmid@utah.gov))  
Justin Jetter ([jjetter@utah.gov](mailto:jjetter@utah.gov))  
Rex Olsen ([rolsen@utah.gov](mailto:rolsen@utah.gov))  
Assistant Utah Attorneys General

By Hand-Delivery:

Division of Public Utilities  
160 East 300 South, 4<sup>th</sup> Floor  
Salt Lake City, Utah 84111

Office of Consumer Services  
160 East 300 South, 2<sup>nd</sup> Floor  
Salt Lake City, Utah 84111

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Administrative Assistant