

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER REDFORD
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: DONOVAN E. WALKER

DATE: SEPTEMBER 14, 2007

SUBJECT: AVISTA'S APPLICATION TO IMPLEMENT A PILOT PROGRAM FOR
REMOTE DISCONNECTS AND RECONNECTS, CASE NO. AVU-E-07-09

On August 31, 2007, Avista Corporation filed an Application seeking approval to implement a one-year pilot program for remote disconnects and reconnects. The Company also requests a limited waiver of Utility Customer Relations Rules 311.03 and 311.04 (IDAPA 31.21.01.03 and .04). The Company requests that its Application be processed under the Commission's Modified Procedure Rules. IDAPA 31.01.01.201-.204.

THE APPLICATION

The Company proposes to install approximately 250 remote disconnect collars which would utilize Power Line Carrier (PLC) as the communication protocol in rural areas and approximately 350 wireless meter devices for use in urban areas. The devices would allow for the remote enabling and disabling of electric service from Avista's office. Customers selected for the pilot would include customers with 200 amp services that either: have had multiple disconnects, are located in rural areas, or otherwise occupy premises where the Avista employee may be "at risk" for manually performing disconnects and/or reconnects.

The Company states that the anticipated benefits of remote disconnect and reconnect capability include: reducing operating and maintenance expenses related to multiple disconnections and reconnections for urban and rural accounts, productivity gains of employees by eliminating multiple trips to customer homes for collections, enhancing employee safety, quicker response time to reconnect service leading to increased customer satisfaction, and recognizing a reduction in bill defaults and write-offs by encouraging prompt consumer payment

over time. Avista proposes to report on the following at the conclusion of the one-year pilot program: 1) number of disconnect devices installed, 2) reason for installation, 3) utilization of the disconnect devices after installation, and 4) costs together with realized savings.

STAFF RECOMMENDATION

Staff has read the Company's Application and recommends that it be processed by Modified Procedure, with comments due on October 26, 2007.

COMMISSION DECISION

Does the Commission preliminarily find that the public interest may not require a hearing to consider the issues presented, and that this proceeding may be processed under Modified Procedure as requested by the Company and recommended by Staff?



Donovan E. Walker