

## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

<b>IN THE MATTER OF THE APPLICATION</b>	)	
<b>OF PACIFICORP DBA ROCKY MOUNTAIN</b>	)	<b>CASE NO. PAC-E-16-06</b>
<b>POWER FOR AUTHORITY TO MODIFY</b>	)	
<b>REGULATION NO. 9 DEPOSITS AND</b>	)	<b>NOTICE OF APPLICATION</b>
<b>ADVANCE PAYMENTS</b>	)	
	)	<b>NOTICE OF</b>
	)	<b>MODIFIED PROCEDURE</b>
	)	
	)	<b>ORDER NO. 33482</b>

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On February 16, 2016, PacifiCorp dba Rocky Mountain Power (“Rocky Mountain” or “Company”) submitted an Application to the Commission for an Order authorizing the Company to modify its Electric Service Regulation No. 9 – Deposits and Advance Payments.

### NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Regulation 9 governs the circumstances under which the Company can require a customer to: (a) pay in advance before receiving service, with the Company to credit the payment to the customer’s account at a later date; or (b) make a reimbursable deposit to secure a future payment or performance.

YOU ARE FURTHER NOTIFIED that Regulation 9 currently applies different rules to three distinct customer groups: a residential group; a small commercial group; and a group combining the large commercial, industrial, and irrigation customer classes.

YOU ARE FURTHER NOTIFIED that the Company’s Application notes that, as of December 15, 2015, the Company’s 58 customers on Schedule 10 – Irrigation and Soil Drainage Pumping Power Service – had a total balance in arrears of about \$1.6 million.

YOU ARE FURTHER NOTIFIED that the Company is seeking authority to place the irrigation customers in a fourth, irrigation specific group under Regulation 9. The Company states that the fourth group would contain irrigation specific rules that will help to further reduce risk and mitigate bad debt expense for the Company and its customers.

YOU ARE FURTHER NOTIFIED that, if approved, the Company’s proposed modifications would authorize Rocky Mountain to require advances from current, previous, or prospective customers prior to the Company providing service if the customer: (1) had a cumulative past due balance equal to or greater than \$25,000 on December 31 of the prior year;

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(2) had service disconnected for non-payment during the last four years; (3) sought, at any time, any form of relief under the federal bankruptcy laws, or has been discharged from bankruptcy, or whose receivership proceeding has been terminated, or whose bankruptcy proceedings have been dismissed; or (4) is requesting electric service from Schedule 10 for the first time.

YOU ARE FURTHER NOTIFIED that the Company proposes that applicable customers provide an upfront payment, guarantee of payment from a bank or financial institution acceptable to the Company, or guarantor acceptable to the Company. The Company states that it worked in a cooperative manner with representatives of the Idaho Irrigation Pumpers Association (“IIPA”) to include the third option, “guarantor acceptable to the Company.” The Company states that a guarantor must be: (1) an active Rocky Mountain Power customer; (2) currently taking Schedule 10 service that is larger or comparable in size; and (3) no more than one late notice in the previous 12 months.

YOU ARE FURTHER NOTIFIED that the Company may require a deposit, either through an upfront payment, a guarantee of payment from a bank, financial institution, or a guarantor acceptable to the Company, from current or previous irrigation customers prior to service in the following circumstances: (1) the irrigation customer received two or more past due notices for non-payment during the most recent irrigation season or, in the case of a previous customer, the last 12-month period during which service was received; or (2) the irrigation customer was required to pay an advance prior to the previous irrigation season and the customer’s account balance on December 31 was less than \$25,000 for that year.

YOU ARE FURTHER NOTIFIED that an irrigation customer with more than one Schedule 10 account may be required to pay a deposit on all Schedule 10 accounts for which the irrigation customer is financially responsible and requesting service.

YOU ARE FURTHER NOTIFIED that the Company noted that the deposit for each metered service will be equal to the estimated monthly bill for the two highest months of usage within the last two irrigation seasons. Payment of the deposit would be required prior to service for that irrigation season.

YOU ARE FURTHER NOTIFIED that the Company states that it will promptly return deposit(s), with accrued interest, once an irrigation customer has paid all undisputed bills and has had no more than one past due notice during the past 12 months. Interest on deposits held by the Company will be accrued at the annual rate established by Commission Order and

computed from the time the deposit is made until it is returned or applied to the customer's bill. No interest will accrue on a deposit if service is terminated temporarily at the request of a customer who leaves the deposit with the Company for future use as a deposit or if service has been permanently terminated and the Company has been unsuccessful in its attempt to refund the deposit.

YOU ARE FURTHER NOTIFIED that, if its foregoing proposed modifications are approved by the Commission, the Company intends to send an informational letter to customers who received a past due notice during the 2015 irrigation season or had an outstanding balance of \$25,000 or more as of December 31, 2015. The letter will inform these customers that a deposit or customer advance may be required before the Company will provide service for the 2017 irrigation season if a customer receives two or more notices during the 2016 irrigation season or has a past due balance of \$25,000 or greater as of December 31, 2016. Additionally, the first time a customer receives a past due notice during 2016, the Company will send a letter explaining Regulation 9 and informing said customers that a second past due notice may result in a required deposit before electric service is provided the following year.

YOU ARE FURTHER NOTIFIED that the Company requests that the Commission approve its proposed modifications to Regulation 9 effective May 16, 2016, with the intent to implement the revisions before the 2017 irrigation season.

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission **no later than April 15, 2016**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5918

Ted Weston  
Rocky Mountain Power  
Manager, Idaho Regulatory Affairs  
1407 W. North Temple, Suite 330  
Salt Lake City, UT 84116  
E-mail: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)  
[michael.snow@pacificorp.com](mailto:michael.snow@pacificorp.com)

Yvonne R. Hogle  
Rocky Mountain Power  
Assistant General Counsel  
1407 W. North Temple, Suite 320  
Salt Lake City, UT 84116  
E-mail: [yvonne.hogle@pacificorp.com](mailto:yvonne.hogle@pacificorp.com)

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Utility Case Comment or Question Form" under the "Consumers" tab, and complete the comment form, using the case number as it appears on the front page of this document. These comments must also be sent to Rocky Mountain at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Company shall file reply comments, if necessary, **no later than April 21, 2016**.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that Rocky Mountain's Application and supporting workpapers and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on the "File Room" tab at the top of the page. Scroll down and click on the "Electric Cases" and then click on the case number as it appears on the front page of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

**ORDER**

IT IS HEREBY ORDERED that Rocky Mountain's Application be processed under Modified Procedure. Persons interested in submitting written comments regarding this case or protesting the use of Modified Procedure should do so no later than April 15, 2016. Rocky Mountain shall be permitted to submit reply comments, if necessary, no later than April 21, 2016.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 15<sup>th</sup> day of March 2016.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
\_\_\_\_\_  
ERIC ANDERSON, COMMISSIONER

ATTEST:

  
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Jean D. Jewell  
Commission Secretary

O:PAC-E-16-06\_np

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