



Rocky Mountain Power proposes rule changes to collect past-due accounts from irrigation customers

Case No. PAC-E-16-06, Order No. 33482

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BOISE (March 22, 2016) – PacifiCorp, which does business in eastern Idaho as Rocky Mountain Power, is asking state regulators to modify a regulation regarding the handling of advance payments and deposits from customers. The utility seeks to place its irrigation customers in a distinct category to create irrigation-specific rules to reduce risk and mitigate bad debt expense for the company and its customers.

Rocky Mountain Power claims it has a \$1.6 million balance in arrears from irrigation customers, or 38 percent of the total \$4.2 million in irrigation bills during the 2015 season. Fifteen irrigation customers had balances past-due in excess of \$25,000.

The irrigation-specific rules proposed to the Idaho Public Utilities Commission would require advance payments if the customer 1) had a cumulative past-due balance equal to or greater than \$25,000 on Dec. 31 of the prior year; 2) had service disconnected for non-payment during the last four years; 3) sought, at any time, relief under federal bankruptcy laws and; 4) is requesting irrigation service for the first time.

Under Rocky Mountain's proposal, customers who fall under any of those categories would need to either provide an upfront payment, provide a guarantee of payment from a bank or financial institution or provide a guarantor. The guarantor must be a credit-worthy Rocky Mountain customer taking irrigation service at comparable size and received no more than one late notice in the previous 12 months. When an advance is collected, a portion of that customer's advance would be applied to satisfy monthly bills during the irrigation season.

A deposit may be required from current or previous irrigation customers before the company would begin providing service if a customer received two or more past due notices during the most recent irrigation season or, in the case of a previous customer, during the last 12-month period the customer received service.

Deposits, with accrued interest, would be promptly returned when irrigation customers have paid all past-due bills and have no more than one past-due notice during the past 12 months.

The proposed changes would become effective during the 2017 irrigation season, which would allow the company time to notify irrigators during the 2016 season of the changes.

The commission is taking public comment on the proposal through April 15. Comments are accepted via e-mail by accessing the commission's Website at www.puc.idaho.gov and clicking on "Case Comment Form," under the "Consumers" heading. Fill in the case number (PAC-E-16-06) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

The company's application and other documents related to this case are available on the commission's Website. Click on "Open Cases" under the "Electric" heading and scroll down to the case number above.

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