



Idaho Public Utilities Commission

P.O. Box 83720, Boise, ID 83720-0074

C.L. Butch Otter, Governor

Paul Kjellander, Commissioner
Kristine Raper, Commissioner
Eric Anderson, Commissioner

March 28, 2017

Via Certified Mail

Mark Chiles
Vice President of Regulatory Affairs
Intermountain Gas Company
555 South Cole Road
Boise, ID 83709

Re: Case No. INT-G-17-02

Dear Mr. Chiles:

Enclosed please find a Summons and Complaint issued against Intermountain Gas Company in Case No. INT-G-17-02. As directed in the Summons, you are to file a written answer or motion in defense of said Complaint with this Commission within 21 days of the service date on the Summons. Your answer or response to the written Complaint should be in a narrative form.

Sincerely,

Diane M. Hanian
Commission Secretary

Enclosures

Cc: Mike McGrath, Director of Regulatory Affairs, Intermountain Gas Company
Ron Williams, Esq., Attorney for Intermountain Gas Company
Virginia Rothenberger, Complainant

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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

Virginia Rothenberger,

Complainant,

vs.

Intermountain Gas Company,

Respondent.

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SUMMONS

CASE NO. INT-G-17-02

THE STATE OF IDAHO SENDS GREETINGS TO THE ABOVE-NAMED RESPONDENT.

YOU ARE HEREBY NOTIFIED that a Complaint has been filed with the Idaho Public Utilities Commission by the above-named Complainant; and

YOU ARE HEREBY DIRECTED to file a written answer or written motion in defense of said Complaint within twenty-one (21) days of the service date of this Summons. The answer or motion in defense should respond to the issues raised in the attached decision memorandum prepared by Commission Staff.

YOU ARE HEREBY NOTIFIED that unless you make a written filing within the time specified, the Idaho Public Utilities Commission may take such action against you as is prayed for in the Complaint or as it deems appropriate under Title 61 of the *Idaho Code*.

WITNESS my hand and the seal of the Idaho Public Utilities Commission this day of March 2017.



Diane M. Hanian
Commission Secretary

(SEAL)

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: CHRIS HECHT

CASE NO: INT-G-17-02

DATE: MARCH 22, 2017

RE: FORMAL COMPLAINT OF VIRGINIA ROTHENBERGER
AGAINST INTERMOUNTAIN GAS COMPANY

On January 23, 2017, the Commission Staff received an informal complaint from Ms. Rothenberger regarding Intermountain Gas' billing and payment processes. Ms. Rothenberger is unsatisfied with the outcome of the Staff's efforts to informally resolve her complaint and requested that the Commission consider it as a formal complaint. Due to the customer's physical limitations, Staff worked with the customer to prepare this decision memo in lieu of requiring her to file a formal complaint in writing.

BACKGROUND

With assistance from her Apartment Manager, Ms. Rothenberger signed up for Auto Pay with Intermountain Gas in May 2016. She chose that option because she is 85 years old, has macular degeneration and can't see well enough to write checks. When she signed up for Auto Pay, she asked that the Company not debit her checking account until after the third of each month to ensure that she has funds available. The customer states that she receives funds around the first of each month.

The customer's billing statements reflect that her bills were due on the 3rd of the month or later. Intermountain Gas states that it set up Ms. Rotherberger's Auto Pay to debit her account about 11 days after the billing date (the date the bill issues). Company records indicate that for most months, despite her requested delay, the debit occurred before the third of the month and always prior to the due date. On at least one occasion, the customer's account was low on funds

on the date Intermountain Gas withdrew funds. As a result, the customer's financial institution covered the payment and then charged the customer a \$30.00 overdraft fee. The customer opted for "level pay" billing, such that she is billed the same amount each month based on average usage, rather than having her monthly bill fluctuate. Her level pay amount is currently \$31.00 a month, so the bank's \$30.00 overdraft fee effectively doubled the amount she had to pay in November 2016. However, Ms. Rotherberger was ultimately successful in having the bank reverse the overdraft fee.

According to Intermountain Gas, the Company advised Ms. Rothenberger before she signed up for Auto Pay that under the program she could not schedule payments for a particular day of the month. Later, after Ms. Rotherberger called expressing concern about the withdrawal dates, a customer service representative (CSR) agreed to cancel Auto Pay for one month and told the customer she would need to make other arrangements to pay her bill. The CSR advised the customer that she would need to send a written request to cancel Auto Pay permanently, and the customer subsequently did so.

The Company was unwilling to offer a further solution until Commission Staff questioned whether the Company was complying with Rule 202.02 of the Commission's Utility Customer Relations Rules. Rule 202 states:

202. DUE DATE OF BILLS — DELINQUENT BILLS (Rule 202).

01. Ordinary Due Date. The utility may require that bills for service be paid within a specified time after the billing date. The minimum specified time after the billing date is fifteen (15) days (or twelve (12) days after mailing or delivery, if bills are mailed or delivered more than three (3) days after the billing date.) Upon the expiration of this time without payment, the bill may be considered delinquent.

02. Hardship Exemption. When a residential customer certifies in writing to the utility that payment by the ordinary due date creates a hardship due to the particular date when the customer receives funds, the due date shall be extended up to an additional fifteen (15) days or at the option of the utility the customer shall be billed in a cycle that corresponds to the customer's receipt of funds.

The Company then agreed to adjust the billing due date to 25 days after the billing date to allow the customer to pay her bill after the third of the month without incurring a late payment charge. The Company suggested that the customer find someone to help her set up a recurring monthly payment through her financial institution. Since Intermountain Gas adjusts level pay amounts at least once a year, the customer would have to reset the payment amount with her financial institution. If the customer chose to discontinue her level payment plan, her bill

amount would fluctuate from month to month. Setting up a recurring payment amount would be impossible if the amount owed changed monthly.

The Company's adjustment of the due date did not resolve the customer's problem. The Company would not allow the customer to remain on Auto Pay but adjust the date when funds were withdrawn from the customer's account, or change the customer's billing cycle, either of which would change the date funds are withdrawn. Staff notes that Rule 202 was adopted by the Commission long before Auto Pay became an option for customers. In Staff's opinion, the spirit of the rule is to accommodate customers who want to pay on a date that does not conflict with when they receive funds. In Ms. Rothenberger's particular situation, the customer's best option would be for the Company to modify Auto Pay to withdraw funds based on the bill due date instead of the date the bill is issued.

Staff notes that under Intermountain Gas' Auto Pay program, the required payment amount is withdrawn from the customer's financial institution approximately 11 days after the billing date. This is about one week prior to the bill's actual due date. In effect, this compels Auto Pay customers to pay their bills earlier than necessary. Intermountain Gas is the only energy utility serving Idaho customers that withdraws funds based on something other than the customer's bill due date.

CUSTOMER'S REQUESTED RELIEF

1. Although Ms. Rothenberger has cancelled Auto Pay, she maintains that it is unfair to not provide customers with the flexibility to adjust the date that funds are withdrawn from their financial institutions, particularly under circumstances where funds are routinely withdrawn a week prior to the actual due date of bills. Even though she has chosen to stop using Auto Pay, she thinks that the Company should modify it to meet other customers' needs and wants to pursue that remedy.

2. In exploring her available payment options, she discovered that she would be required to pay a convenience fee of \$1.99 to pay her bill with a debit or credit card, an amount she refuses to pay. Furthermore, she believes that customers should be able to pay the Company using a debit card without paying a fee.

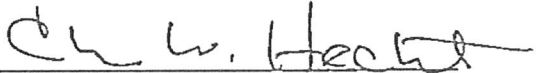
STAFF RECOMMENDATION

Ms. Rothenberger was not satisfied with the outcome of her informal complaint. Consequently she asked Staff to assist in opening a Formal Complaint. See Rules 23, 25, and 54, IDAPA 31.01.023, .024 AND .054.

Staff recommends that the Commission waive the requirement that Ms. Rothenberger file a written complaint and accept this decision memo as representing her concerns. Staff further recommends that the Commission issue a Summons to Intermountain Gas Company, and direct the Company to file a response to the complaint.

COMMISSION DECISION

Does the Commission wish to accept Ms. Rothenberger's formal complaint and issue a Summons to Intermountain Gas?


Chris Hecht

Udmemos/Rothenberger Formal Complaint