



RECEIVED

2014 SEP 30 PM 4:07

IDAHO PUBLIC
UTILITIES COMMISSION

LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

September 30, 2014

VIA HAND DELIVERY

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
Boise, Idaho 83702

Re: Case No. GNR-U-14-01
Exemption from UCRR 311 – Joint Utilities Application and Testimony

Dear Ms. Jewell:

Enclosed for filing in the above matter please find an original and seven (7) copies of the Joint Petition for Exemption.

Also enclosed for filing are nine (9) copies each of the Direct Testimonies of Tami White and Barbara Coughlin. One copy of each of the aforementioned testimonies has been designated as the "Reporter's Copy." In addition, a disk containing Word versions of Ms. White's and Ms. Coughlin's testimonies is enclosed for the Reporter.

If you have any questions about the enclosed documents, please do not hesitate to contact me.

Very truly yours,

Lisa D. Nordstrom

LDN:evp
Enclosures

LISA D. NORDSTROM (ISB No. 5733)
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5825
Facsimile: (208) 388-6936
lnordstrom@idahopower.com

Attorney for Idaho Power Company

DANIEL E. SOLANDER (ISB No. 8931)
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, Utah 84111
Telephone: (801) 220-4014
Facsimile: (801) 220-3299
daniel.solander@pacificorp.com

Attorney for Rocky Mountain Power

DAVID J. MEYER (ISB No. 8317)
Avista Corporation
1411 East Mission Avenue-- MSC-23
P.O. Box 3727
Spokane, Washington 99202
Telephone: (509) 495-4316
Facsimile: (509)777-5468
david.meyer@avistacorp.com

Attorney for Avista Corporation

RECEIVED
2014 SEP 30 PM 4:07
IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT)
PETITION OF AVISTA CORPORATION,) CASE NO. GNR-U-14-01
IDAHO POWER COMPANY AND)
ROCKY MOUNTAIN POWER COMPANY) JOINT PETITION FOR
FOR AN EXEMPTION FROM UTILITY) EXEMPTION
CUSTOMER RELATIONS RULE 311(4))
and (5).)
_____)

COMES NOW, Avista Corporation ("Avista"), Idaho Power Company ("Idaho Power"), and PacifiCorp dba Rocky Mountain Power ("Rocky Mountain Power" or "PacifiCorp") (collectively referred to as the "Utilities" or "Petitioners"), in accordance with Rule of Procedure 053 and Utility Customer Relations Rules ("UCRR") 003 and 009, hereby request that the Idaho Public Utilities Commission ("Commission") issue an

Order on or before December 31, 2014, exempting the Utilities from the provisions of UCRR 311 (4) and (5) effective March 1, 2015.

UCRR 311(4) requires that immediately preceding termination of service, utility personnel must attempt to make face-to-face contact with the customer or other responsible adult on the premises to accept payment on an outstanding bill. UCRR 311(5) requires the utility employee designated to terminate service to notify the customer in person or with a conspicuously placed notice of the procedure to reconnect service. Given advances in metering, communication, and electronic payment technologies, along with increased concern for the safety of employees and the public, the Petitioners request an exemption from UCRR 311(4) and (5) to allow the Utilities the option to discontinue collection of payment at the door and to permit the Utilities to use other forms of customer notice in lieu of mandatory on-site personal or paper notice at the time of disconnection.

This Joint Petition is based on the following:

I. BACKGROUND

1. The Petitioners comprise three of the largest investor-owned energy utilities in the state of Idaho. Avista provides electric and natural gas service to approximately 203,000 customers in northern Idaho. Idaho Power provides electric service to approximately 500,000 customers in southern Idaho. Rocky Mountain Power provides electric service to approximately 73,000 customers in southeastern Idaho.

2. Utility Customer Relations Rule 311 (IDAPA 31.21.01.311) governs times when service may be terminated and outlines opportunities to avoid termination of service. Subsections (4) and (5) require the utility to attempt to make face-to-face

contact with the customer immediately prior to terminating service to accept payment on an outstanding bill and/or notify the customer of steps to be taken in order to reconnect service, to wit:

04. Opportunity to Prevent Termination of Service.

Immediately preceding termination of service, the employee designated to terminate service shall identify himself or herself to the customer or other responsible adult upon the premises and shall announce the purpose of the employee's presence. This employee shall have in his or her possession the past due account record of the customer and shall request any available verification that the outstanding bills are satisfied or currently in dispute before this Commission. Upon presentation of evidence that outstanding bills are satisfied or currently in dispute before this Commission, service shall not be terminated. The employee shall be authorized to accept full payment, or, at the discretion of the utility, partial payment, and in such case shall not terminate service. Nothing in this rule prevents a utility from proceeding with termination of service if the customer or other responsible adult is not on the premises.

05. Notice of Procedure for Reconnecting Service.

The utility employee designated to terminate service shall give to the customer or leave in a conspicuous location at the affected service address, a notice showing the time of and grounds for termination, steps to be taken to secure reconnection, and the telephone numbers of utility personnel or other authorized representatives who are available to authorize reconnection.

3. The Utilities use a variety of metering technology ranging from traditional mechanical meters to Advanced Metering Infrastructures ("AMI")¹. Some fully automated meters have the capability to remotely connect and disconnect service. The remote connect/disconnect technology only applies to meters that are 120/240 volt up to

¹ Advanced metering systems are comprised of state-of-the-art electronic/digital hardware and software, which combine interval data measurement with continuously available remote communications. These systems enable measurement of detailed, time-based information, and frequent collection and transmittal of such information to various parties. AMI or Advanced Metering Infrastructure typically refers to the full measurement and collection system that includes meters at the customer site, communication networks between the customer and a service provider, such as an electric, gas, or water utility, and data reception and management systems that make the information available to the service provider.

200 ampere. The following chart reflects the approximate number and types of meter technologies currently used for residential and small commercial customers by the Petitioners in Idaho:

Current Metering Technology	Avista	Idaho Power	Rocky Mtn Power
Non-AMI meters		3,740	73,355
AMI meters w/ remote connect/disconnect	600	14,500	0
AMI meters w/ manual connect/disconnect	181,000	494,515	0

4. In Case No. AVU-E-07-9, Avista requested that the Commission approve a Remote Reconnect/Disconnect Pilot Program with a limited waiver of portions of UCRR 311 for the term of the pilot. The pilot was intended to implement a system for remote disconnections and reconnections without the need for an employee visit to the affected premises. On July 30, 2008, the Commission approved an 18-month pilot program subject to specific reporting requirements and subsequently extended the program indefinitely in Order Nos. 30603 and 31009, respectively.

5. In 2014, Idaho Power is installing approximately 14,500 meters with automated electric service connect-disconnect functionality at service points that are remote, difficult to access, or had multiple connect-disconnect site visits in an 18-month period. Although these meters have been installed, Idaho Power has not implemented the remote disconnect functionality pending approval of an exemption from the provisions of UCRR 311 (4) and (5). Idaho Power estimates this one-time investment of approximately \$1 million will result in a reduction in its annual operating expenses of approximately \$700,000 through reductions in metering labor and transportation costs.

6. In the states of Utah, Wyoming, Oregon, and California PacifiCorp has discontinued² its practice of accepting any payments at the door at the time of disconnection of service, and has discontinued making personal contact at the door at residential sites prior to disconnection of electric service. Door tags are left at all premises 48 hours before the scheduled disconnection informing customers that their past due payment must be received by a set date or their service will be disconnected. Then at the time of the disconnection visit another door hanger is left providing the affected customers the time of and grounds for termination, steps to be taken to secure reconnection, and the telephone numbers of utility personnel or other authorized representatives who are available to authorize reconnection.

II. REQUEST FOR EXEMPTION

7. UCRR 003 and 009 authorize utilities to petition the Commission for an exemption if “unusual or unreasonable hardships result from the application of any of these rules.” Good cause exists to grant the Petitioners’ request for an exemption, which has the potential to reduce operating costs and increase the safety of utility employees benefitting customers without sacrificing customer service.

8. Although the Utilities are jointly petitioning this Commission for an exemption from UCRR 311 (4) and (5), the practice of each utility following this exemption may vary to meet individual business needs. As described more specifically in the testimony that accompanies this Joint Petition, each utility believes its request for an exemption will enable it to reduce operating costs and/or enhance employee safety.

9. Stakeholder Engagement. Prior to filing this Joint Petition, one or more of

² PacifiCorp sought and received regulatory approval in Oregon (Docket No. UM 1631, Order No. 14-049), and Wyoming (Docket No. 20000-426-ER-13, Record No. 13432). No filings were required in Utah or California.

the Utilities discussed this proposal with the Staff of the Idaho Public Utilities Commission, AARP Idaho, and the Community Action Partnership Association of Idaho (CAPAI).

III. CUSTOMER IMPACTS

10. Discontinued Payment and/or Notification at Disconnection. The majority of the Utilities' customers rarely require a site collection or disconnection visit. However, if the exemption is granted, the Utilities would have the option to discontinue collection of payment at the door and to use other forms of customer notice in lieu of mandatory on-site personal or paper notice at the time of disconnection.

11. Customer Benefits. Granting this Petition will enable the Utilities to be more efficient, reduce operating costs, and help customers avoid the most expensive payment option of payment at the door. As described in greater detail in the testimony that accompanies this Joint Petition, customers will also benefit from greater predictability in disconnections, timelier reconnection, enhanced privacy and reduced reconnection fees where meters with remote connect/disconnect capability have been installed.

12. Current Customer Notifications. Granting the Utilities' requested exemption will not harm customers because they receive multiple notices prior to disconnection. Disconnecting electric service for non-payment is always a utility's last resort. Petitioners already provide customers with multiple notifications of past due account balances and potential disconnection of service. Specifically, the Utilities provide the following before disconnecting service:

Current Disconnect Notifications (UCRR 304)	Avista	Idaho Power	Rocky Mtn Power
Initial 7-day Past-Due Notice Letter	X	X	X
Final 3-day Past-Due Notice Letter	X	X	X
48-hour door hanger			X
24-hour in person/telephone notice	X ³	X	X
Knock/door hanger at disconnection	X	X	X

13. Proposed Customer Notifications. If the proposed exemption is approved, the Utilities will provide the following customer amount due and disconnect notifications:

Proposed Amount Due & Disconnect Notifications	Avista	Idaho Power	Rocky Mtn Power
Monthly bill	X	X	X
Initial 7-day Past-Due Notice	X	X	X
Final 3-day Past-Due Notice	X	X	X
48-hour door hanger			X
24-hour in person/telephone notice	X	X	X
Knock + door hanger at manual disconnect	X	X	
Door hanger only at manual disconnect			X
No on-site notice remote disconnect	X	X	X

It should be noted that having a remote connect/disconnect capable meter will not change the service of those customers who declare under UCRR 306 that they are unable to pay in full for utility service and whose household includes children, elderly, or infirm persons. Service to these customers will continue to not be terminated during the months of December through February.

14. Payment Options. Utilities have expanded payment methods beyond the traditional use of U.S. Mail and accepting payments at local offices. Over the past decade technological advances have allowed customers to utilize newer, more convenient payment methods. As shown below, the Utilities currently offer a number of no- or low-cost payment methods for customers' convenience. Online and

³ Avista attempts seven (7) phone calls 24 hours in advance of disconnection.

pay-by-telephone payment options allow customers to make payment from their own residence, any Internet connection, or through their mobile phones (including smart phones), and provide almost immediate account updating.

Current Customer Payment Options	Avista	Idaho Power	Rocky Mtn Power
Automatic payments	X	X	X
Online Payments	X	X	X
Payments via U.S. Mail	X	X	X
Payments at pay stations	X	X	X
Payments by telephone	X	X	X
Secure drop box	X	X	
At customer door at time of disconnect	X	X	X

15. In the Utilities' experience, the vast majority of customers make their payments via U.S. Mail or through automatic bank debiting. By comparison, the number of customers who pay at the door at the time of disconnection is quite small and reflected in the following table:

Idaho Customers Who Paid At the Door at Time of Disconnect in a Calendar Year	Avista	Idaho Power	Rocky Mtn Power
Idaho Customers Paid at Door	2,415	16,563	516
Total Idaho Customers	142,322 ⁴	482,669 ⁵	73,355
Percentage	1.7%	3.4%	0.7%

While the majority of utility customers choose the no- and low-cost options described above, other customers have chosen the *most expensive payment option*, paying the field collector at the door at the time of disconnection, which, for Idaho Power and Rocky Mountain Power, includes a field visit charge of \$20.00 during normal business hours. Given the number of payment options available, and the small number of payments

⁴ Open residential accounts 2013.

⁵ Meter count as of the end of 2012.

collected in the field, allowing Utilities to discontinue collecting payments in the field will not harm customers.

16. Prior to filing requests with state regulatory agencies to discontinue the requirement to attempt collection of payment at the door prior to disconnection, PacifiCorp conducted an informal survey of utilities from members of the National Association of Credit Managers. PacifiCorp received multiple responses from various utilities across the United States and Canada. Based on the information gathered from the responses, more than half of the utilities do not knock on the door prior to disconnecting service, and nearly 75 percent of the utilities do not collect payment at the door. A summary of the survey responses is included as Attachment 1 to the Joint Petition.

IV. CUSTOMER EDUCATION

17. If the exemption request is approved, the Utilities will each conduct a communications campaign tailored to inform affected customers of changes in its respective operations. These educational campaigns are described in greater detail in the testimony that accompanies this Joint Petition. However, the Utilities planned educational efforts can be summarized as follows:

Proposed Customer Education Plan	Avista*	Idaho Power*	Rocky Mtn Power
Call center interactions during Jan-Feb 2015			X
Bill messages	X		X
Automated voice message	X		
Initial and Final Disconnect Notice	X	X	X
U.S. Mail/bill stuffer	X		
Card attached to 48-hour notice and door tags			X

*For those customers with remote connect/disconnect meters

18. PacifiCorp has found, through first-hand experience in implementing this policy change in Utah, Wyoming, California, and Oregon, that customers accept the concerns the Company has for the safety of field personnel and have been very understanding of this policy change. To date, PacifiCorp has not received any escalated customer issues or commission complaints due to the change in business practice in these states.

19. To allow time for the Utilities to educate customers on the proposed change in utility practices, the Utilities respectfully request the Commission issue an Order on this matter no later than December 31, 2014, with the exemption to become effective coincident with the end of the winter disconnection moratorium on March 1, 2015.

V. MODIFIED PROCEDURE

20. The Utilities believe that a hearing is not necessary to consider the exemption requested herein and respectfully requests that this Joint Petition be processed under Modified Procedure; i.e., by written submissions rather than by hearing. RP 201, *et seq.* If, however, the Commission determines that a technical hearing is required, the Utilities stand ready to present testimony in support of the Joint Petition in such hearing. Avista, Idaho Power, and/or Rocky Mountain Power have or will file testimony describing in greater detail its individual need for the requested exemption and planned efforts to educate their respective customers regarding the anticipated operational changes if the Utilities' Joint Petition is approved.

VI. COMMUNICATIONS AND SERVICE OF PLEADINGS

21. Communication and service of pleadings with reference to this Joint Petition should be sent to the following:

David J. Meyer
Avista Corporation
P.O. Box 3727
1411 E. Mission Avenue, MSC-23
Spokane, WA 99220
david.meyer@avistacorp.com

Linda Gervais
Avista Corporation
P.O. Box 3727
1411 E. Mission Avenue, MSC-29
Spokane, WA 99220
Linda.Gervais@avistacorp.com

Lisa D. Nordstrom
Regulatory Dockets
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707
lnordstrom@idahopower.com
dockets@idahopower.com

Tami White
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707
twhite@idahopower.com

Daniel E. Solander
Ted Weston
Rocky Mountain Power Company
201 South Main Street, Suite 2300
Salt Lake City, Utah 84111
Daniel.Solander@pacificorp.com
Ted.Weston@pacificorp.com

Barbara Coughlin
PacifiCorp
825 N.E. Multnomah, Ste 800
Portland, OR 97232
Barb.Coughlin@pacificorp.com

VII. REQUEST FOR RELIEF

22. As described in greater detail above and in the testimony that accompanies this Joint Petition, the Utilities seek an exemption from UCRR 311(4) and (5) for numerous reasons. If approved, the requested exemption would permit the Utilities to utilize technology to reduce operating costs, speed reconnections, and increase service disconnection predictability. An exemption would also allow the Utilities flexibility to minimize exposure to confrontations with customers that pose a threat to the safety of field personnel, customers, and the public.

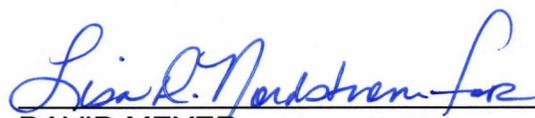
23. Although Avista and Idaho Power employees would no longer physically visit the premises where remote connect/disconnect technology exists, the Petitioners will let the customer know of the possible disconnection and/or reconnection by following its current notification process but without the mandatory requirement to knock on the customer's door. Customers will continue to receive a variety of notices of balances owed and pending disconnection. Additionally, customers may pay bills through numerous no- or low-cost payment methods. Eliminating the ability to pay at the door removes only the most expensive payment option from the list.

24. The Utilities respectfully request that the Commission approve the requested exemption to Utility Customer Relations Rule 311(4) and (5) no later than December 31, 2014, to become effective following a customer communication campaign and coincident with the end of the winter disconnection moratorium on March 1, 2015.

Respectfully submitted this 30th day of September 2014.

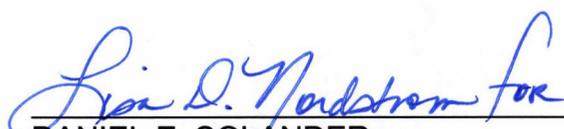


LISA D. NORDSTROM
Attorney for Idaho Power Company



DAVID MEYER
Attorney for Avista Corporation

email approval
9/30/14 1:59 p.m.



DANIEL E. SOLANDER
Attorney for Rocky Mountain Power

email approval
9/30/14 1:22 p.m.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 30th day of September 2014 I served a true and correct copy of the JOINT PETITION FOR EXEMPTION upon the following named parties by the method indicated below, and addressed to the following:

AARP Idaho

Lynn Young
AARP Idaho
3080 E. Gentry Way
Meridian, Idaho 83642

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email lynnyoung@spro.net

Lee Flinn,
AARP Idaho
3080 E. Gentry Way
Meridian, Idaho 83642

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email aflinn@aarp.org

CAPAI

Christina Zamora
CAPAI
3350 West Americana Terrace, # 360
Boise, Idaho 83706

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email czamora@capai.org



Elizabeth Paynter, Legal Assistant

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. GNR-U-14-01

IDAHO POWER COMPANY

ATTACHMENT 1

State	Knock			Collect Payment			Notes
	No	Yes	Required?	No	Yes	Required?	
Florida	x			x			
Kentucky	x				Maybe		
Kentucky	x				Maybe		
N/A			Not Clear				
Nevada	x			x			
N/A		x		x			
N/A		x	x	x			
N/A		x		x			
Illinois		x	x	x			
Illinois	x			x			
N/A		x			Case by Case		
N/A (gas utility)		x			x		
Multiple States		x	x	x			
N/A	x			x			
N/A		x			Not Clear		
N/A		x		x			
N/A	x			x			
N/A	x			x			
N/A	x			x			
Los Angeles, California		x			x		Note: Currently looking to change this practice
Oklahoma	x			x			
N/A	x				x		
Oklahoma	x			x			
N/A	x			x			
Missouri		x	x	x			
North Carolina		Based on Customer History		x			
N/A		x		x			
N/A		x	x	x			
Multiple States		x			x		Company serves eight states and has standardized with most lenient rule
N/A	x			x			Will knock if medical on account
Mississippi	x			x			

