



**Testimony of Britni Davidson on behalf of the Oregon Rural Electric
Cooperative Association
House Consumer Protection and Government Effectiveness Committee
March 19, 2015
RE: HB 2599**

Chair Fagan, members of the committee. For the record my name is Britni Davidson, and I am from Salem, Oregon. I am here today representing Salem Electric, which is a member-owned electric cooperative serving approximately 18,000 members in parts of Salem & Keizer.

Thank you for allowing me the opportunity to speak to you today about House Bill 2599, and share my experience providing assistance to electric cooperative members.

I am the customer service supervisor at Salem Electric and administer our in-house winter heating assistance program. The Salem Electric Member Assistance Program begins in December, with priority given to seniors & people with disabilities. To qualify, members must meet income requirements and use electric as their main heating source. Qualifying members receive a one-time credit up to \$225 on their account, and become eligible for our free weatherization program. Since the 2015 heating assistance program started, I have helped more than 910 members with over \$160K. Our goal is to provide assistance to our low-income members, weatherize homes to improve efficiency, and reduce future electric bills. We typically assist 1200 members annually.

Salem Electric offers additional assistance through our “The Dollar Check-Off Program”, which is administered by The Salvation Army. The Dollar Check-Off program is funded by member donation and is designed to provide member assistance throughout the year to members falling upon hard times, whether it is an illness, job loss, family emergency, or even a pending disconnect.

Salem Electric is in the business of “keeping the lights on.” We do that by offering services such as payment assistance, average payment plans, making referrals to local agencies, and making payment arrangements on past due accounts.

Our credit and collection procedures allow members to become 55 days past due before termination, which is five days before they receive their third monthly bill. Members facing disconnection are encouraged to contact our office to make payment arrangements, and our field representatives have the authority to grant extensions at the time of disconnect.

In 2014, SE sent out 12,336 final disconnect notices, and of those, only 937 accounts were disconnected. That’s less than half a percent of the 220,000 bills we send out annually that had

their power disconnected for non-payment. I attribute that low number to our willingness to work with members to “keep the lights on.”

Salem Electric does not disconnect for non-payment on Friday, Saturday, or Sunday. During the winter months we do not disconnect for non-payment if the projected average temperature over the next three days is at OR below 37 degrees.

In my opinion, House Bill 2599 will hurt the very people we are already helping. If this bill passes, I am concerned that our members could fall further and further into debt, and when their service is eventually disconnected, it would be all the more difficult, if not impossible, to pay the balance to get the service restored. Members may lose their housing benefits; get behind on their mortgage or rent, and not have the resources available to help them get service restored. Local agencies are more likely to provide assistance for a \$200-\$300 bill than they are a \$1,000-\$1200 bill.

At Salem Electric we do all that we can to protect the personal information of our membership. Maintaining records for the criteria listed in this bill puts us in an uncomfortable position because we'll be forced to ask for information that is irrelevant to us to continue electric service. We are already working with our members towards a common goal of keeping the lights on. Requiring and maintaining unnecessary, additional information will be cumbersome for our members.

In conclusion, Salem Electric as well as other cooperatives in Oregon are going above and beyond the criteria listed in this bill, to provide the best service possible for our communities.

Thank you for the opportunity to talk to you about House Bill 2599. I would be happy to answer any questions.