

To: Honorable Shemia Fagan, Chair
House Committee on Consumer Protection and Government Effectiveness

From: Shawn Miller, Representing Pacific Power

Re: House Bill HB 2599 (Concerns)

Date: March 20, 2015

PacifiCorp is an investor-owned utility serving more than 560,000 customers predominately in rural Oregon as Pacific Power. As a regulated utility, Pacific Power adheres to all the rules and regulations adopted by the Oregon Public Utility Commission, which include significant regulation around disconnection policies and procedures. HB 2599, as currently drafted, goes well beyond current regulation in ways we believe have unintended consequences and as such, we have concerns with HB 2599.

Pacific Power strives to provide the best service to our customers including self-imposed moratoriums and additional assistance beyond the requirements of Commission rules. Pacific Power actively works with customers on a case-by-case basis to help maintain electric service. Factors that weigh on our decisions include the size of customer bills, customer ability to pay, prior pay arrangements, incoming energy assistance and change in customer circumstances.

- Consideration is particularly given to customer usage during peak months (electric heat in winter). We offer equal payment plans to help customers get through high, winter bills by leveling payments throughout the year.
- We also continue to tell customers the importance of contacting us when they have fallen past due to explore options to help prevent disconnection.
- In addition to payment assistance programs we also discuss energy efficiency tips to help encourage conservation and lower usage.

Our local metering managers are given discretion to stop disconnection under any extreme conditions. Pacific Power serves a diverse part of Oregon with varying different climates and topography. Extreme low/high temperatures, snow or ice storms, flooding are all communicated by local managers to our call center management to suspend collection activities. In addition to suspending collection action during extreme conditions, we also self-impose suspension of disconnection during the Thanksgiving and Christmas holiday seasons.

When the unfortunate process of disconnection begins, we are required to go through a specific process set forth in rules adopted by the Commission per OAR 860-0405. Noticing requirements include at minimum 6 different communication opportunities by phone, mail and directly at the customers' residence. Final disconnection, if necessary, occurs no less than 3 days after the final door hanger is provided to the residence. But we do everything we can to avoid this outcome.

We believe HB 2599 as drafted has some unintended consequences for our customers:

- HB 2599 takes oversight away from the agency specifically created to manage energy utility rules, the Oregon Public Utility Commission.
- The proposed legislation perpetuates customer perception about invasion of privacy by allowing utilities to have access to personal customer information we would not normally have, including,

information about past job changes, members of the household outside of the account holder, medical information, etc.

- One unintended consequence we feel we should point out is related to condition (F) of Section 1, which says:

The customer's household has lost 50 percent or more of the household's income because a member of the customer's household lost a job within the past six months.

While the legislative intent may be to protect borderline low income households, the legislation could also apply to a well off household which may have gone from an income of \$200,000 to \$100,000.

Customer service is extremely important to us and we all we can to help our customers find the assistance they need to avoid service interruption.

Thank you for the opportunity to submit our testimony. We welcome any follow up questions. Please direct any additional questions to Shawn Miller shawnm@wvi.com or Elizabeth Howe Elizabeth@howepa.com .