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IDAHO PUBLIC  
UTILITIES COMMISSION

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GNR-U-02-01

25  
26  
27 BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION  
28

29 IN THE MATTER OF REQUESTED )  
30 AUTHORIZATIONS TO IMPLEMENT A TWO )  
31 YEAR WINTER PROTECTION PROGRAM TO )  
32 ESTABLISH MINIMUM MONTHLY PAYMENTS )  
33 )  
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38 )

CASE NO. AVU-E-02-08  
CASE NO. AVU-G-02-03  
CASE NO. INT-G-02-04  
CASE NO. PAC-E-02-07

I. INTRODUCTION

Avista Corporation doing business as Avista Utilities, at 1411 East Mission Avenue,  
Spokane, Washington, Intermountain Gas Company, at 555 South Cole Road, Boise, Idaho, and

1 PacifiCorp doing business as Utah Power & Light Company, at 1900 S.W. Fourth Avenue, Portland,  
2 Oregon (together “Applicants”) respectfully request authorization to implement a two-year pilot  
3 Winter Protection Program (WPP).

4 The purpose of this filing is to minimize the impact winter bills have on customers least able  
5 to pay the accumulated winter use at the end of the winter moratorium. Currently customers claiming  
6 moratorium are not required to make any payment during Dec. 1<sup>st</sup> – Feb. 28<sup>th</sup>. During this time, large  
7 winter bills accumulate causing balances to become difficult to manage. Customers face  
8 disconnection, requiring payment in full to restore service. To ease the burden, this proposal would  
9 allow low-income customers to establish minimal monthly payments, equal to one-half (1/2) the  
10 Level Payment Plan amount as described and calculated in Rule 313.06. This pilot would allow  
11 customers, agencies and companies to provide assistance for customers to maintain uninterrupted  
12 service. This pilot will also aid in establishing a pattern of consistent monthly customer payments,  
13 avoiding disconnect and requirement of balance in full for reconnect, as now happens with the  
14 existing moratorium rule.

15 The proposed Winter Protection Program, as a two-year pilot, specifically consists of the  
16 following aspects:

- 17 1) Requesting exemption from the provisions of Rule 306.01, 306.02, 306.03, 306.04,  
18 306.05 and 306.06 during the two- year pilot program.
- 19 2) Defining Winter Protection Program eligibility as “any residential customer who  
20 declares that he or she is unable to pay for utility service during the specified months of December,  
21 January and February and whose household qualifies for energy assistance from a local Community  
22 Action Agency.”

1           3) Replacing the three-month winter moratorium from Dec 1<sup>st</sup> – Feb. 28<sup>th</sup> with a minimal  
2 monthly payment plan equal to one-half (1/2) of the Level Pay Plan amount. The Level Payment Plan  
3 amount will be calculated according to Rule 313.06.

4           A working group comprised of representatives from the regulated utilities, IPUC Staff,  
5 Department of Health and Welfare, and Community Action Agencies have been meeting since  
6 January 2002 to address certain issues associated with Rule 306. We appreciate Staff bringing such  
7 a diverse group together and facilitating the discussion. This filing is a direct result of that group's  
8 efforts. Given our desire to implement the pilot prior to this winter's heating season, Applicants  
9 request this matter be handled under modified procedure pursuant to Rules 201-204 of the  
10 Commission's Rules of Procedure.

11                       Communications in reference to this Application should be addressed to:

12 Kelly O. Norwood  
13 Vice-President, Rates and Regulation  
14 Avista Corp  
15 1411 E. Mission Avenue  
16 P. O. Box 3727  
17 Spokane, Washington 99220  
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## 8 9 **II. BACKGROUND AND EFFECT OF WPP**

10 Under the existing rule, customers may make no payment for energy service during the  
11 winter months; however these customers then face what are frequently large bills for payment due  
12 on March 1. This places a financial burden on many participating customers given the relatively  
13 large amount due at one time. This can lead to an inability to pay and result in disconnection of  
14 service. The local Community Action Agencies agree that the existing rule makes it difficult for  
15 customers to manage their bills after the moratorium and the agencies are unable to provide enough  
16 funding to prevent disconnects. Under the Winter Protection Program, qualifying customers would  
17 provide payments during the winter months equal to one-half (1/2) of the Level Pay Plan amount for  
18 that customer. The Level Payment Plan amount will be calculated according to Rule 313.06.

19 For example, a customer may incur winter monthly bills of \$150 per month from December  
20 through February and have an existing balance of \$100.00. Rule 306.01 currently allows any  
21 customer who has children or senior citizens living in the household to make no payment until  
22 March 1. At that time, the customer would need to pay their total "moratorium bill" of \$550. Under  
23 the Winter Protection Program, this customer's monthly payments for December, January, and  
24 February (including a balance of \$100.00) would be \$90 per month. The balance owing on March  
25 1 would be \$280.

1 **III. WPP PROGRAM COMPONENTS**

2 Opportunity to participate in the Winter Protection Program would be available to any  
3 residential customer who declares that he or she is unable to pay for service and applies for and  
4 meets eligibility requirements for energy assistance from a local Community Action Agency. Except  
5 as provided elsewhere in the Customer Relations Rules, no gas or electric utility may terminate  
6 service during the months of December through February to any customer who participates in the  
7 Winter Protection Program. The customer may use any source of funds/grants to satisfy the payment  
8 requirements of Winter Protection Program.

9 The amount of payments under the Winter Protection Program will be equal to one-half (1/2)  
10 of the Level Pay Plan amount. The Level Payment Plan amount will be calculated according to Rule  
11 313.06.

12 Termination of service may occur if customers do not participate in the Winter Protection  
13 Program through establishing monthly payments with the exception of special dispensation  
14 customers under "medical emergency" designation. Customers who miss a payment under the  
15 Winter Protection Program may avoid termination of service by reestablishing monthly payments.

16 Customers must be current on prior winter payments to be eligible to participate in the  
17 Winter Protection Pilot in the following year.

18 Customers are encouraged to apply for energy assistance programs including the Low-  
19 Income Heating Energy Assistance Program (LIHEAP) and Project Share.

1 **IV. REQUEST FOR AUTHORIZATION**

2 This filing is a direct result of a stakeholders' working group. Given apparent consensus  
3 from this group and Applicants' desire to implement the pilot prior to this winter's heating season,  
4 Applicants respectfully request that:

- 5 1) the Winter Protection Program be approved as a two-year pilot as described herein,  
6 2) the program be effective December 1, 2002 and continue through November 30, 2004,  
7 and,  
8 3) this matter be handled under modified procedure pursuant to Rules 201-204 of the  
9 Commission's Rules of Procedure.

10  
11 Dated at this 10<sup>th</sup> day of October 2002.

12 AVISTA CORPORATION

13 BY Kelly O. Norwood  
14 Kelly O. Norwood  
15 Vice-President, Rates and Regulation  
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20 INTERMOUNTAIN GAS COMPANY

21 BY Paul Powell  
22 Paul Powell  
23 Senior Vice-President  
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PACIFICORP

BY Carole Rockney  
Carole Rockney  
Director, Cust. Service & Regulatory Liaison



VERIFICATION

STATE OF OREGON )  
 )  
County of Multnomah )

Carole Rockney, being first duly sworn on oath, deposes and says: That she is the Director, Customer Service and Regulatory Liaison for PacifiCorp and makes this verification for and on behalf of said corporation, being thereto duly authorized;

That she has read the foregoing Application, knows the contents thereof, and believes the same to be true.

Carole Rockney

SIGNED AND SWORN to before me on this 10<sup>th</sup> day of October 2002, by Carole Rockney

Christopher Tenney

NOTARY PUBLIC in and for the State of Oregon, residing at Portland.

Commission Expires: 2.23.2005

