

ITEM NO. 5

PUBLIC UTILITY COMMISSION OF OREGON
ADMINISTRATIVE HEARINGS DIVISION REPORT
PUBLIC MEETING DATE: September 11, 2003

REGULAR	<input checked="" type="checkbox"/>	CONSENT	<input type="checkbox"/>	EFFECTIVE DATE	Upon Filing with the Secretary of State
DATE:				August 29, 2003	
TO:				Commissioners Beyer, Savage and Baum	
FROM:				Michael Grant, Administrative Law Judge	
REVIEWED BY:				Terry Lambeth, Rules Project Leader	
SUBJECT:				<u>AR 452</u> : Adoption of rules to amend OAR Chapter 860, Divisions 021, 034, 036 and 037.	

ADMINISTRATIVE LAW JUDGE RECOMMENDATION:

Adopt the amended rules as set forth in Appendix A in the attached order.

DISCUSSION:

This rulemaking proposes to amend rules governing customer service requirements for Oregon utilities. The docket arose from the agency's triennial review of administrative rules, and encompasses changes originally proposed in Dockets AR 427 and AR 428.

The Commission last addressed this rulemaking at the March 31, 2003 Public Meeting. In response to concerns raised by some utilities, the Commission decided to allow another opportunity for comment on this rulemaking. Several utilities and the Citizens' Utility Board (CUB) filed comments.

As a result of those comments and subsequent discussions with rulemaking participants, I have made several modifications to the draft order and rules presented for adoption. I summarize those comments and changes to the order below.

I. Victims of Domestic Violence

This was a key issue at the March 31, 2003 Public Meeting. It arose from the utilities' concern that an applicant may currently avoid providing any identification by paying a deposit. To address this, Staff proposed a rule change to require all applicants to positively identify themselves. Staff subsequently proposed that an exception be

created to protect the identity of victims of domestic violence and other forms of abuse. Staff was particularly concerned about the use of applicant data in telephone directories. Using language provided by the Domestic Violence Council, Staff eventually proposed the Commission require telecommunication utilities waive charges for nonpublished listings for victims at risk.

Qwest expressed concerns about the provision, and the Commission decided to allow rulemaking participants another opportunity to comment on proposed change. I held additional meetings with rulemaking participants to address these concerns and to explore alternative means to protect the identity of victims at risk.

At the meetings, the telecommunications utilities claimed that safeguards currently exist in the utilities tariffs governing directory services. They pointed out that their respective tariffs: (1) allow customers to request their address be omitted from the listing; and (2) allow a customer to use a modified or alternative name for the directory listing. Thus, the telecommunication utilities concluded, victims at risk could protect their identity by preventing their true name and address appearing in the telephone directory or directory assistance listing database.

Shortly after those meetings, however, representatives from Qwest and Verizon reported that, contrary to earlier representations, their companies do not allow a customer to use a modified or alternative name for the directory listing. Based on this new information, Verizon recommended the Commission protect certified victims at risk by requiring a telecommunications carrier to either allow the use of an alias or provide an unpublished listing at no charge.

Discussion

Victims at risk must have the ability to protect their identify from those who can cause them harm. To accomplish this while requiring applicants for utility service to identify themselves, I recommend the Commission adopt the provision below that incorporates Verizon's proposal. The proposed rule gives the telecommunication utilities an option of how to provide protection, and requires them to waive fees for non-published listings only for victims at risk who have a current court order protecting them from contact and are financially unable to pay for the non-published listing. Accordingly, 860-021-0009 and 860-034-0030 should be amended to include language that reads:

A [large or small] telecommunications utility shall protect the identity of a customer at risk of domestic violence or other abuse. The [large or small] telecommunications utility shall provide the identity

protection by allowing the customer to use a modified or alternative name for a directory listing or by providing, at no cost, a non-published listing in accordance with other applicable tariff provisions for the length of time the endangerment exists. A customer requesting a nonpublished listing under this section must provide:

(a) A copy of a court order that restrains another person from contact with the customer by reason of risk of domestic violence, as defined in ORS 135.230, or unwanted sexual contact, as defined in ORS 163.305, abuse, as defined by the Elderly and Disabled Person Abuse Prevention Act, ORS 124.005 et seq., or stalking, as defined by ORS 163.730 et seq.; and

(b) An affidavit, stating that the customer is financially unable to pay for the nonpublished listing.

II. Provision of Social Security Number

In meetings to discuss the protection of victims of domestic violence, the Attorney General's office identified a problem with the proposed requirement that applicants provide their social security numbers. The Attorney General's office noted that the federal Privacy Act of 1974 provides, in part:

It shall be unlawful for any Federal, State, or local government to deny any individual any right, benefit or privilege provided by law because of such individual's refusal to disclose his social security number.

The Attorney General's office was concerned that a requirement that an applicant provide his or her social security number may constitute state action and violate federal law.

Discussion

After comment by rulemaking participants and further research, the Attorney General's office has concluded that, with some minor amendments, the proposed rule at issue does not violate the Privacy Act of 1974. The modified provisions, as set forth below, allow an applicant to provide alternative information in lieu of a social security number and expressly provide an applicant the right to a hearing if denied service for failure to provide an acceptable form of identification. Accordingly, the applicable provisions of 860-021-0009, 860-034-0030, 860-036-0035, and 860-037-0030 should be modified to read:

(3) A utility may require an applicant to provide the following information when applying for service:

(a) The name of person(s) responsible for payment on the account;

(b) The name to be used to identify the account, if different than the actual name;

(c) The birth date of person(s) responsible for payment on the account;

(d) The social security number of person(s) responsible for payment on the account;

(e) A current valid Oregon driver license number of the person(s) responsible for payment on the account;

(f) The service address;

(g) The billing address, if different than service address; and

(h) Any available telephone numbers where the applicant can be reached night and day.

(4) In lieu of providing a valid social security number or current valid Oregon driver license number under section (3) of this rule, an applicant may provide:

(a) A valid state or federal identification containing name and photograph of the person(s) responsible for payment on the account;

(b) A combination of:

(A) An original or certified true copy of his or her birth certificate;

(B) A current identification from school or employer containing a photograph; and

(C) The name, address, and telephone number of a person who can verify the applicant's identity, such as a teacher, employer, or caseworker; or

(c) Other information deemed sufficient by the utility to establish an applicant's identification.

(5) If an applicant is denied service for failure to provide an acceptable form of identification, the applicant may pursue conflict resolution under the Commission's rules.

III. Other Comments

a. Interruption of Utility Service

PGE, NW Natural, and PacifiCorp dislike the proposed requirement that utilities schedule interruptions at a time "causing minimum inconvenience to customers." These energy utilities contend that the language is too extreme and would severely limit a

utility's ability to effectively schedule crews. NW Natural also questions the meaning of "reasonable notice," noting that the language is broad and non-specific. Without clarity, NW Natural is concerned how the Commission would assess any customer complaint for purposes of the company's Service Quality Measure ratings.

Discussion

The original proposal limiting interruptions to times causing minimum inconvenience to customers was directed at telecommunication utilities, which generally perform routine maintenance during the middle of the night. The concerns raised with the rule's application to energy utilities are well taken. Moreover, the rule should be modified to eliminate the challenged "reasonable notice" phrase. Accordingly, using Division 021 as an example of these proposed changes, the rules should be amended to read:

~~To the extent practical, the~~**Each** energy or large telecommunications utility shall **make reasonable efforts to** notify every customer affected in advance of any ~~contemplated-scheduled~~ work ~~which that~~ will interrupt service, but such notice shall not be required in case of interruption due to emergency repairs **or for repairs or maintenance work performed by a telecommunications utility that results in an interruption expected to be five minutes or less. In determining scheduling and customer notification, the utility shall consider the length of the planned interruption, the type and number of affected customers, the potential impact of the interruption on affected customers, and other surrounding circumstances. Notice may be given in writing, either via US mail or a door hanger on the affected premises, or by contact with the customer or an adult at the residence by personal visit or by telephone.**

At PGE's request, I also modified the draft order to address two concerns raised by the company.

b. Establishing Credit

In their respective comments, energy utilities renew various arguments relating to an applicant's ability to establish credit. PGE, NW Natural, PacifiCorp, and Avista believe that utilities should be allowed to collect a deposit from customers who have received two or more disconnect notices. These companies contend that a correlation exists between customers receiving late notices and those who have had service disconnected. Avista also contends a utility should be able to collect a deposit from an applicant who is living with a roommate that owes money for service provided to the same address.

NW Natural and Cascade also object to an applicant establishing credit by providing proof of ability to pay. Both utilities contend that an applicant's proof of employment or regular source of income does not necessarily demonstrate good credit.

CUB objects to the utilities' arguments and contends that the rules, as proposed, are sufficient to protect the utilities' interests.

Discussion

As noted, the energy utilities' arguments for stricter credit standards were previously raised in this proceeding and addressed in the draft order. I adhere to my previous recommendations. The purpose of a deposit is to protect utilities and their customers against revenue loss, not against late payments. Consequently, a final notice of disconnection should not be the basis to require a deposit. In addition, there is no basis to penalize customers living with a roommate that owed a past due bill for service at the same address, and the rules should continue to provide customers with three options to establish credit.

I have, however, incorporated PGE's proposed wording change to Section (1)(a) of OARs 860-021-0200, 860-034-0140, 860-036-0040, and 860-037-0035 to clarify that a letter establishing an applicant's good credit history with a prior utility be provided by the prior utility.

c. Implementation of Rules

Because changes to these rules will require modifying procedures and training staff, several utilities requested that they be allowed time to implement the revised rules. The requests ranged from 30 to 90 days after the issuance of the order.

Discussion

The utilities' request for time to implement the rule changes is reasonable. The draft order has been revised to clarify that the utilities will have 90 days to fully implement and comply with the amended rules.

PROPOSED COMMISSION MOTION:

The Commission adopt the modified rules as set forth in the attached order.

Attachments

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ENTERED

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 452

In the Matter of a Rulemaking to Amend)
OAR Chapter 860, Divisions 021, 034,) ORDER
036 and 037.)

DISPOSITION: RULES AMENDED

SUMMARY

In this order, the Public Utility Commission of Oregon (Commission) amends rules that govern customer service requirements for Oregon utilities. Among the changes, we clarify the responsibilities of a utility to notify customers of planned interruptions of service and the circumstances in which an energy utility may charge for a visit to a service address. We also revise our annual procedure for establishing the interest rate to be paid on customer deposits.

We reject a proposal from an alliance of energy utilities to adopt stricter credit standards designed to provide the utilities with more deposits to offset delinquent accounts. These standards would have imposed mandatory credit checks, required proof of regular income, and penalized late-paying customers or those living with a roommate that owed a past due bill for service at the same address. Instead, we address the utilities' concerns by requiring every applicant to provide positive proof of identification and reorganizing rules to give applicants numerous options to establish credit to avoid paying a deposit. In adopting these new requirements, we include provisions that require utilities to protect the identification of customers upon request, and provide extra protection for those customers who are victims of domestic violence or other forms of abuse.

Finally, we make numerous housekeeping changes to make the rules consistent for all applicants and customers of energy, telecommunications, water, and water/wastewater utilities.

BACKGROUND

This proceeding arose from the agency's triennial review of administrative rules, and encompasses rulemaking changes initially proposed in Dockets AR 427 and AR 428. In

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those prior dockets, several utilities proposed additional rule changes that greatly expanded the scope of the rulemakings. To allow further discussion of the new proposals and to eliminate overlap between proceedings, the Commission closed Dockets AR 427 and AR 428 and consolidated the rulemakings in this docket, AR 452.

After proper notice to interested persons and the Secretary of State, we held a rulemaking hearing on February 4, 2003. Michael Grant, an Administrative Law Judge, presided over the proceeding. At the March 31, 2003 Public Meeting, the Commission decided to allow rulemaking participants another opportunity to submit comments on the proposed rulemaking. Additional workshops were held to further address the comments.

We received written or oral comments from the following persons: Cascade Natural Gas (Cascade), NW Natural Gas Company (NW Natural), Portland General Electric (PGE), PacifiCorp, Avista Utilities (Avista), Verizon Northwest Inc. (Verizon), Sprint/United Telephone Company of the Northwest (Sprint), Qwest Corporation and Malheur Telephone Company (collectively Qwest), the Citizens' Utility Board (CUB), Community Action Directors of Oregon (CADO), and the Commission Staff (Staff).

At our September 10, 2003 public meeting, we considered the comments and recommendations of the participants in this matter and entered the decisions set out in this order.

DISCUSSION

In this order, we adopt and amend rules governing customer service requirements for electric, gas, and large telecommunications utilities (Division 021), small telecommunications utilities (Division 034), water utilities (Division 036), and water/wastewater utilities (Division 037). We address each rulemaking proposal in turn.

Applications for Utility Service

860-021-0009, 860-034-0030, 860-036-0035 and 860-037-0030¹

Currently, an applicant requesting service can avoid providing any documentation supporting his or her identity by paying a deposit. This has created problems for utilities and their customers. For example, a customer who was terminated for theft of service could anonymously open a new account by paying a deposit. To eliminate this possibility, Staff proposes that an applicant provide:

- The name of person(s) responsible for payment on the account;

¹ These proposed changes were initially noticed as a new section to rules regulating the establishment of credit for residential utility service, OARs 860-021-0200, 860-034-0140, 860-036-0040, and 860-037-0035. We conclude that the changes are more properly considered within these rules, which currently govern applications for utility service.

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- The birth date of person(s) responsible for payment on the account;
- The social security number of person(s) responsible for payment on the account; and
- A current valid Oregon driver license number of the person(s) responsible for payment on the account.

Staff acknowledges that some applicants may not wish to disclose their social security number, while others may not have a valid Oregon driver license. Accordingly, Staff further proposes the rules provide that, in lieu of a social security number or Oregon driver license number, an applicant be given the option of providing one of the following:

- A valid state or federal identification containing name and photograph of the person(s) responsible for payment on the account, or
- A combination of:
 - An original or certified true copy of his or her birth certificate;
 - A current identification from school or employer containing a photograph; and
 - The name, address, and telephone number of a person who can verify the applicant's or customer's identity as shown, such as a teacher, employer, or caseworker.

Comments

CUB and numerous utilities commented on the proposed requirements for applications of service. All supported the need of an applicant to provide identification when seeking utility service. Cascade, NW Natural, PGE, and Avista recommended that the required information also include the service and billing address, contact information, telephone numbers and applicable rental information.

At the February 4, 2003 rulemaking hearing, Staff proposed an exception be added to this rule to protect the identity of victims of domestic violence. Initially, Staff suggested the rule contain language allowing the Commission to waive the requirement for good cause. Later, Staff proposed that telecommunication utilities waive charges for nonpublished listings for victims of domestic violence and other forms of abuse.

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On April 8, 2003, the Administrative Law Judge convened a meeting with Staff and other rulemaking participants to further discuss this issue. After discussion, the rulemaking participants concluded that safeguards currently exist in tariffs governing directory services. Representatives from Qwest, Verizon, and Sprint agreed that, under their respective tariffs, customers may request their address be omitted from listings and may select an alternative name, including an alias, for their listed name in the directory. Thus, while all applicants would be required to provide proper identification to the utilities for billing and account purposes, victims at risk may protect their identities by preventing their true names and addresses appearing in the telephone directory or directory assistance listing database.

Shortly after the meeting, however, representatives from Qwest and Verizon reported that, contrary to earlier representations, their companies do not allow a customer to use a modified or alternative name for the directory listing. Based on this new information, Verizon recommended the Commission protect certified victims at risk by requiring a telecommunications carrier to either allow the use of an alias or provide an unpublished listing at no charge.

Commission Resolution

No person objected to the proposed rule change requiring every applicant to provide documentation supporting his or her identification. We agree that the current rules should be changed to close the loophole that allows a prior customer terminated for theft of service to reopen an account by paying a deposit. We also agree that customers should be given the option to provide other forms of identification, with photograph if applicable, if they are unwilling or unable to provide a social security number or a current Oregon driver license number.

We further conclude that the rules should be expanded to require an applicant to provide the service address, a preferred mailing address, any contact telephone numbers, and the name to be used to identify the account if different from the actual name. Obviously, the utility cannot provide service unless it knows the service address, and an applicant need not provide a different mailing address or alternative name to identify an account if neither is desired. Furthermore, because utilities are required to contact customers for a variety of reasons for matters affecting their service,² applicants should provide any available telephone numbers where they can be contacted. Of course, the fact that an applicant may not have a contact number would not be a valid basis for a utility to refuse service.

We do not adopt the recommendation to require applicants who rent housing to provide their landlord's name, address, and telephone number. Only one utility proposed this

² Our discussion below relating to rules governing interruption of utility service provides an example of one form of notice required of the utilities.

requirement and failed to justify the need for an applicant to provide this information to obtain service.

Finally, we adopt Verizon's proposal requiring telecommunication utilities to protect the identify of victims at risk either by allowing the use of an alias for the directory listing or by waiving charges for nonpublished listings is unnecessary.

Accordingly, using Division 021 as an example of these proposed changes, the rules should be amended to read:

(3) An energy or large telecommunications utility may require an applicant to provide the following information when applying for service:

(a) The name of person(s) responsible for payment on the account;

(b) The name to be used to identify the account, if different than the actual name;

(c) The birth date of person(s) responsible for payment on the account;

(d) The social security number of person(s) responsible for payment on the account;

(e) A current valid Oregon driver license number of the person(s) responsible for payment on the account;

(f) The service address;

(g) The billing address, if different than service address; and

(h) Any available telephone numbers where the applicant can be reached night and day.

(4) In lieu of providing a valid social security number or current valid Oregon driver license number under section (3) of this rule, an applicant may provide:

(a) A valid state or federal identification containing name and photograph of the person(s) responsible for payment on the account;

(b) A combination of:

(A) An original or certified true copy of his or her birth certificate;

(B) A current identification from school or employer containing a photograph; and

(C) The name, address, and telephone number of a person who can verify the applicant's identity, such as a teacher, employer, or caseworker; or

(c) Other information deemed sufficient by the utility to establish an applicant's identification.

(5) If an applicant is denied service for failure to provide an acceptable form of identification, the applicant may pursue conflict resolution under the Commission's rules.

Interruption of Utility Service

860-021-0021, 860-034-0090, 860-036-0075 and 860-037-0070

Currently, these rules require a utility to notify every affected customer in advance of any contemplated work that will interrupt service, unless the interruption is required for emergency repairs. Staff proposes to amend the rules to specify that the notice must be given at least 24 hours in advance of any scheduled work that will cause interruption, and to clarify how the notice should be given. Using Division 021 as an example of these proposed changes, the rule applying to energy and large telecommunications utilities would be modified to read:

To the extent practical, the energy or large telecommunications utility shall notify every customer affected **at least 24 hours** in advance of any **contemplated scheduled** work which will interrupt service, but such notice shall not be required in case of interruption due to emergency repairs. **Notice may be given in writing, either via US mail or a door hanger notice on the affected premises, or by contact with the customer or an adult at the residence by personal visit or by telephone.**

Comments

Cascade, PacifiCorp, NW Natural, PGE, and Avista all express concern about the 24-hour notice requirement. These utilities contend that the proposed change is unnecessary, too restrictive, and too costly for utilities and their customers.

To start, most utilities question the need to establish the time requirement, as they are not aware of any problems with the existing notification process. PGE notes that, on average, over 35,000 of its customers are affected by planned outages each year and that, during the past three-year period, only three customers complained to the Commission about adequate notice. Consequently, the utilities believe that the rule is working well as currently written.

The utilities are also concerned that a strict 24-hour notice requirement would compromise a utility's ability to maximize use of their field crews. The utilities note that it is common for field crew schedules to change unexpectedly. For example, a field crew might complete a project ahead of schedule. With a strict 24-hour notice requirement, the utilities contend that the field crew would be required to stop work early, rather than proceed to a new project. Because idle crews still have to be paid, the utilities contend that costs will increase, and that these costs will be passed onto its customers.

PacifiCorp also questions how this rule change would affect the customer guarantees it accepted as part of the merger with Scottish Power. PacifiCorp explains that these guarantees, detailed in the company's Rule 25, include notification of planned service

interruptions. PacifiCorp adds that these guarantees contain several exceptions that are not included in the proposed 24-hour notice period.

Verizon and Sprint do not oppose the proposed 24-hour notice requirement, but ask that the requirement apply only when the scheduled work will be performed during normal business hours and when interrupted service is for a prolonged period of time. These telecommunication utilities explain that they perform a significant amount of maintenance work during the early morning hours. Because the work is usually completed in a matter of minutes, Verizon and Sprint contend that customers generally do not realize their service was interrupted.

Commission Resolution

The interruption of utility service may impose significant hardships on customers. An extended interruption in electric service during the winter months, for example, may severely impact elderly customers that rely on electricity to heat their homes. Similarly, the inability to place a telephone call due to maintenance work may create a problem for a customer in need to contact someone. Accordingly, it is imperative that utilities provide reasonable advance notice to customers of any planned outages so they can prepare for the interruption and, if necessary, make appropriate arrangements.

Fortunately, the utilities take this issue seriously and have been meeting their customers' expectations. As PGE points out, the Commission has, on average, received just one complaint per year from the 35,000 customers affected annually by the company's planned outages. Similarly, during the past three years, the Commission has not received any formal complaints against other utilities from customers alleging inadequate notice.

Based on this information, we conclude that the current rules are working and that customers are generally satisfied with the utilities' notice practices. The rules provide the utilities the flexibility needed to maximize the utilization of their field crews, while ensuring that customers receive adequate notice of any planned outages. Therefore, we will not amend the rules to require a strict 24-hour notice requirement. We agree with the utilities that, given the limited number of complaints, the adoption of the notice requirement is unnecessary and will likely result in increased costs, which will ultimately be passed on to ratepayers.

We further conclude, however, that these rules should be amended to ensure the continuation of the utilities' current efforts to notify customers and meet their needs during service interruptions. The rules should clearly describe each utility's burden to make reasonable efforts to notify affected customers in advance of planned outages, and to consider the relevant circumstances in scheduling interruptions and providing notice. In addition, the rules should expressly provide an exception for maintenance work that results in an interruption that is expected to be approximately five minutes or less.

Again, using the rule applying to energy and large telecommunications utilities as an example, OAR 860-021-0021(3) should be amended to read:

To the extent practical, the Each energy or large telecommunications utility shall **make reasonable efforts to** notify every customer affected in advance of **any contemplated scheduled** work **which that** will interrupt service, but such notice shall not be required in case of interruption due to emergency repairs **or for repairs or maintenance work performed by a telecommunications utility that results in an interruption expected to be five minutes or less. In determining scheduling and customer notification, the utility shall consider the length of the planned interruption, the type and number of affected customers, the potential impact of the interruption on affected customers, and other surrounding circumstances. Notice may be given in writing, either via US mail or a door hanger on the affected premises, or by contact with the customer or an adult at the residence by personal visit or by telephone.**

Due and Payable Period

860-021-0125, 860-034-0110, 860-036-0125 and 860-037-0110

Staff recommends that these rules be amended to clarify that the due date for all charges, including payment of the final bill, be not less than 15 days from the billing date.

Comments

No person filed comments to the proposed change.

Commission Resolution

We adopt Staff's recommendation.

Meter Test

860-021-0130 and 860-036-0115

Staff recommends that these rules be amended to clarify that a utility must return any payment received for a meter test if the meter is found to register outside accepted tolerance standards.

Comments

NW Natural supports the proposal, but offers the following alternative language:

The energy/water utility ~~must return the payment and~~ may not charge the customer if the meter is found to register outside the 2 percent accepted tolerance standard under normal operating conditions.

NW Natural explains that, because the language prohibits a utility from charging a customer for a meter test under the specific circumstances, the act of returning any amount already collected is implied.

Commission Resolution

We adopt NW Natural's alternative language, as shown above. OARs 860-021-0130 and 860-036-0115 should be amended accordingly.

Establishing Credit for Residential Utility Service
860-021-0200, 860-034-0140, 860-036-0040 and 860-037-0035³

Staff proposes numerous changes to rules governing the establishment of credit. These rules outline the terms by which a customer may establish credit for residential service. The rules describe the conditions under which a deposit may be charged and the means by which credit can be established.

Currently, a utility is required to collect a deposit from known credit risks. Known credit risks are defined as any applicant who failed to properly pay an account balance when service was terminated with another Oregon utility, or any applicant who was previously terminated for theft or diversion of utility service.

The rules next provide five methods by which an applicant can establish good credit:

- Having a prior account in good standing with the same utility;

³ As discussed in footnote 2, the proposed changes to applications for utility service were originally noticed under these rule sections. Due to that initial listing, the proposed changes to rules governing establishing credit for utility service were listed under new sections labeled OARs 860-021-0201, 860-034-0141, 860-036-0041, and 860-037-0036. Given our decision to move changes relating to applications to OARs 860-021-0009, 860-034-0030, 860-036-0035, and 860-037-0030, there is no need to create new rule sections and we return the rules governing credit to their prior identified sections.

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- Submitting an official letter from another Oregon utility stating that it provided similar service to the applicant in the prior two-year period and that the applicant voluntarily terminated service and timely paid the final bill;
- Submitting a written surety agreement from a responsible party to secure payment in the amount of two-months average usage;
- Paying a deposit; or
- Submitting positive identification.

Under the current version of these rules, most applicants choose to provide positive identification. This option, however, provides the utilities with little information about the credit-worthiness of an applicant. In an effort to strike a balance between a utility's need for more information while protecting an applicant from unreasonable and intrusive requests, Staff proposes several rule modifications.

First, the option of simply providing positive identification to establish credit is eliminated. As previously discussed, all applicants must provide positive identification when applying for service. Second, the amended rules give applicants the following five options to establish credit for service:

- Having received 12 months of continuous utility service of the same type applied for (energy or telecommunications) during the preceding 24 months, and the utility can verify that:
 - The applicant or customer was not disconnected for nonpayment; and
 - The former utility issued no more than two final notices of disconnection during the final 12 months of service. For purposes of this section, a final notice of disconnection means a five-day notice for telecommunication utilities and a field disconnection visit for energy utilities.
- Meeting Commission approved minimum credit requirements based on a third party credit report score or the utility's own credit scoring formula;
- Establishing an ability to pay by providing:
 - Proof of employment during the entire twelve months previous to the application of service for person(s) responsible for payment on the account and a work telephone number to enable the company to verify employment; or

- A statement or other documentation indicating that the applicant or customer receives a regular source of income.
- Providing the utility a written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage; or
- If the equipment is available, elect to use demand limiter or “pay as you go” metering.

An applicant that is unable to establish credit under any of these options must pay a deposit. To protect the utility and its customers, the rules also require a deposit if:

- The applicant or customer received the same type of utility service from it or any Oregon utility within the preceding 24 months and owed an account balance that was not paid in full when service was terminated; or
- The applicant or customer was previously terminated for theft of service or tampering with utility facilities.

Furthermore, a utility may require a new or additional deposit if the customer gave false information to establish an account, stole service or tampered with facilities, received more than two final notices of disconnection during the preceding 12 months, or if the customer's actual utility usage is greater than the basis of the prior deposit.

Comments

Cascade, PacifiCorp, NW Natural, Avista, and PGE all oppose the use of a field disconnection visit to define a final notice of disconnection for energy utilities. These utilities contend that the five-day notice should serve as the final notice, as is proposed for the telecommunications utilities. They add that a customer that receives two or more five-day disconnection notices is a credit risk, and that the proposed use of a field disconnection visit will increase costs.

NW Natural also recommends that rules allowing a customer to provide proof of ability to pay, in order to establish credit, clarify that any documentation should originate from the employer or provider of the income. NW Natural does not believe that utilities should be required to simply accept a statement or document prepared and signed by the customer. With regard to an applicant's reliance on past service history as a means to establish credit, PGE contends that only the preceding 12 months be examined, rather than the proposed 24-month period.

CADO objects to several proposed changes. First, it contends that the fact that a customer received notices of disconnection should not be grounds to require a deposit. It argues that there is no established correlation between a late payment and non-payment for service. Similarly, CADO contends that proof of employment or a regular source of income does not guarantee payment, and opposes placing such a requirement on applicants.

CADO also questions how the utilities would implement the use of credit reports to establish credit. CADO points out that the utilities have provided no information about what scoring system would be used, nor explained the process by which an applicant could appeal a disqualifying score. CADO adds that, because housing and utility bills are generally paid first, a poor credit score may not be relevant in determining a credit risk for utilities. Finally, CADO opposes the language allowing an applicant to elect to use a pre-paid meter. CADO contends this option removes the protections now offered to customers through payment plans and disconnection notices.

While CUB did not file written comments, it appeared at the rulemaking hearing and repeated its objections to changes to rules governing the establishment of credit proposed earlier in Docket AR 427. In that prior docket, an alliance of energy utilities proposed a list of “disqualifying” factors that would automatically require an applicant to pay a deposit. That list of “disqualifying” factors was not included in the rulemaking proposal noticed in this docket, AR 452. Without addressing any specific rule change proposed in Docket AR 452, CUB argued that the requirements were overly burdensome to customers attempting to obtain essential utility services.

Commission Resolution

We favor Staff’s proposal to modify the rules relating to the establishment of credit. The old rules were poorly organized and often created confusion for both the utilities and their customers. The new rules clearly establish how an applicant may establish credit for utility service and clarify the circumstances that require payment of a deposit. Furthermore, unlike the alliance of energy utilities’ proposal in Docket AR 427, Staff’s proposed rules are structured in a manner that give an applicant the opportunity to establish credit, rather than identify disqualifying factors that would automatically require an applicant to pay a deposit.

Based on the comments received, however, we believe the proposed rules should be modified in two respects. First, while the energy utilities oppose the use of a field disconnection visit to define a “final notice of disconnection,” we agree with CADO that a final notice of disconnection—however defined—should not be the basis to require a deposit. As CADO notes, the purpose of a deposit is to protect against revenue loss, not against late

payments.⁴ Therefore, the key issue is whether the applicant failed to pay for service, not whether the payment was late. The rules should be modified accordingly.

Second, we adopt NW Natural's proposal to clarify that any proof of income be prepared or signed by the provider or authorized representative. The additional burden placed on the applicant to obtain such a statement is minimal, and utilities should not be required to simply accept an unsupported statement or document.

We reject PGE's proposal to restrict an applicant's reliance on past service history to the preceding 12 months, rather than the proposed 24-month period. This option is intended to allow applicants to rely on credit established by a prior account in good standing. As proposed by Staff, this option requires an applicant to have received 12 months of continuous service from a similar utility within the preceding 24-month period. The 24-month timeframe is designed to protect those applicants who had established credit with a prior account but, for any variety of reasons, had ceased to be an Oregon utility customer during the past year. For example, an applicant may have briefly relocated out of the state, or temporarily moved in with another person with an existing utility account. PGE's proposal would exclude an applicant with any interruption in utility service, no matter how short, from relying on prior accounts in good standings as a means to establish credit.

We acknowledge CADO's concerns about the use of a credit report, but will adopt Staff's proposal to include that method as a means to establish credit. We emphasize that this proposal does not require the use of a credit check. Rather, it provides applicants with another option to establish credit for service. If an applicant opposes the use of a credit check, the applicant can simply choose another means to establish credit. Moreover, before implementing this option, each utility must submit minimum credit requirements, internal credit scoring formulas, appeal procedures, and other relevant information for Commission approval.

We reach similar conclusions with regard to CADO's objections to the proof of employment and use of pre-paid meters. Like the use of a credit report, these are not mandatory requirements, but rather alternative methods by which an applicant may avoid paying a deposit. It is our intent that providing additional options will increase the likelihood that an applicant will be able to establish credit.

⁴ We acknowledge that late payments may create additional costs for utilities. These costs, however, are properly recovered through late payment charges, not deposits.

Accordingly, using Division 021 as an example of these proposed changes, the new rules governing the establishment of credit should read:

860-021-0200

Establishing Credit for Residential Utility Service

(1) An applicant or customer may demonstrate satisfactory credit for new or continuing service by showing any of the following, provided that a deposit is not required under section (2) of this rule:

(a) Received 12 months of continuous utility service of the same type applied for (energy or telecommunications) during the preceding 24 months and the utility can verify, either by contacting the former utility or through an authorized letter provided by former utility on utility letterhead to include dates of service and presented by the applicant, customer or former utility, that the applicant or customer voluntarily terminated service and timely paid for all services rendered;

(b) Meets Commission approved minimum credit requirements based on a third party credit report score or the energy or large telecommunications utility's own credit scoring formula; or

(c) Proof of ability to pay by providing either:

(A) Proof of employment during the entire 12 months previous to the application of service for person(s) responsible for payment on the account and a work telephone number to enable the energy or large telecommunications utility to verify employment; or

(B) A statement or other documentation from the income provider or an authorized representative, that the energy or large telecommunications utility can verify, indicating that the applicant or customer receives a regular source of income.

(2) An applicant or customer may be required to pay a deposit at the time of application for new or continued service when:

(a) The applicant or customer is unable to establish credit as defined in section (1) of this rule;

(b) The applicant or customer received the same type of utility service from it or any Oregon energy or telecommunications utility, as defined in ORS 757.005 or 759.005, within the preceding 24 months and owed an account balance that was not paid in full when service was terminated. Subsection (2)(b) of this rule does not apply to a customer who registered a dispute with the Commission within 60 days after service was terminated and who paid all undisputed or adjudicated amounts; or

(c) The applicant or customer was previously terminated for theft of service by any Oregon utility as defined in ORS 757.005 or 759.005, was found to have tampered with the meter or other utility facilities, or was otherwise found to have diverted utility service.

(3) In lieu of paying a deposit, an applicant or customer may:

(a) Provide the energy or large telecommunications utility a written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage. For purposes of section (3) of this rule, a responsible party is a customer with the same utility who meets one of the qualifying conditions outlined in section (1) of this rule. The surety agreement obligation will automatically terminate should the responsible party no longer meet the conditions set forth herein. In the event a responsible party is subsequently found not to qualify, the applicant or customer will be required to either pay a deposit or obtain a written surety agreement from another responsible party. The surety obligation ceases when the customer establishes good credit; or

(b) For energy utilities, elect to use demand limiter or "pay as you go" metering, if equipment is available.

(4) For energy utilities, a deposit required under this rule shall not exceed one-sixth the amount of reasonable estimated billing for 12 months at rates then in effect. This estimate shall be based upon actual use at the premises during the prior 12 months, if known, or will be estimated based upon the type and size of the equipment at the premises. Each deposit shall be rounded to the nearest whole dollar.

(5) For large telecommunication utilities, a deposit required under these rules shall be based upon two months' average or estimated bills for usage of the applicable telecommunications utility's tariff and price-listed services. Each deposit shall be rounded to the nearest whole dollar. For telecommunications service, applicants eligible for Oregon Telephone Assistance Program (OTAP) funding and who voluntarily elect to receive toll-blocked service, no deposit may be charged. The large telecommunications utility shall make toll blocking available at no charge to all applicants identified in OAR 860-033-0030.

(6) A new or additional deposit, calculated as provided by sections (4) and (5) of this rule with the most recent information available, may be required from a customer as a condition of continued service when:

(a) The energy or large telecommunications utility discovers that the customer gave false information to establish an account and/or credit status;

(b) The energy or large telecommunications utility discovers that the customer has stolen utility service, has tampered with the meter or other utility facilities, or was otherwise found to have diverted utility service;

(c) For energy utilities, a customer moves and the anticipated bill at the new residence will be at least 20 percent greater than the basis of the existing deposit; or

(d) For large telecommunications utilities, if service records for the customer indicates unbilled intraLATA toll activity under the utilities' tariff and price list is greater than the basis of the prior deposit.

(7) Paying a deposit does not excuse a customer from complying with the energy or large telecommunications utility's tariffs or other regulations on file with the Commission, such as the obligation to promptly pay bills.

(8) An energy or large telecommunications utility may file a tariff that contains less stringent deposit requirements than those specified in this rule.

Deposit Payment Arrangements for Residential Electric or Gas Utility Service
860-021-0205

Currently, OAR 860-021-0205 allows an applicant for electric or gas utility service to pay a required deposit in three installments. The rule provides that the first installment is due immediately, with the remaining installments due 30 days and 60 days after the first payment.

Comments

PGE suggests a slight change in this rule. Because normal billing periods currently range from 27 to 34 days, PGE points out that the 30 and 60 day requirement may require the utility to send out separate bills to the customer. To minimize this redundancy and reduce utility costs, PGE proposes the rule be amended to require the second and third installment payment be paid with the two subsequent billing cycles.

Commission Resolution

PGE's proposal may have merit, as the consolidation of billings should increase efficiencies and might reduce customer confusion. PGE raised this proposal late in the process, and neither the Commission nor other rulemaking participants have had the opportunity to fully evaluate it. Before adopting such a proposal, the Commission must examine the billing practices of various utilities to ensure that the rule change will not impose any hardship on customers. Because we have not completed such an examination, we believe that PGE's proposal should be delayed and considered during the next triennial review of administrative rules.

Payment Arrangements for Deposit and Installation Charges for Residential
Telecommunications Utility Service
860-021-0206

OAR 860-021-0206, which applies to large telecommunications utilities, allows an applicant for residential telecommunications service to pay a required deposit in four installments. To make this rule consistent with OAR 860-034-0150 for small telecommunications utilities, Staff proposes the following clarifying sentence be added: "Except for the last payment, installments shall be the greater of \$20 or one-fourth of the total deposit."

Comments

No person commented on Staff's proposal.

Commission Resolution

We adopt Staff's recommendation. OAR 860-021-0206 should be amended accordingly.

Interest on Deposits for Residential and Nonresidential Utility Service
860-021-0210, 860-034-0160, 860-036-0050 and 860-037-0045

These rules generally require that customer deposits accrue interest at a rate based on the effective interest rate for new issues of one-year Treasury Bills issued during the last week of October of the preceding year. Because the U.S. Treasury does not always issue new one-year Treasury Bills every October, Staff proposes the rule be modified to give the Commission additional flexibility in determining the proper interest rate to be paid on customer accounts.

Staff proposes the rule be modified to require the Commission to establish an interest rate based upon consideration of:

- The effective interest rate for new issues of one-year Treasury Bills issued during the last week of October;
- The interest rate on the most recent issuance of one-year Treasury Bills; or
- The effective interest rate for the average yield of Treasury Bills of the closest term issued during the last week of October.

Comments

No person commented on Staff's proposal.

Commission Resolution

The Commission adopts Staff's proposal. OARs 860-021-0210, 860-034-0160, 860-036-0050, and 860-037-0045 should be amended accordingly.

Field Visit Charge

860-021-0420

This rule allows an electric or gas utility to charge a customer for a visit to a residential service address to serve a disconnection notice. Staff proposes the rule be amended to clarify that a charge will also be imposed if the utility visits a residential service address intending to disconnect service, but prior to disconnection the customer makes payment and no disconnection occurs.

Comments

Cascade, NW Natural, PGE, PacifiCorp, and Avista agree with Staff's proposal, but suggest that the proposed language may inadvertently restrict current practice. After further discussion, Staff, NW Natural, PacifiCorp and PGE proposed the rule stated below. Cascade and Avista also proposed similar language.

A Commission approved fee may be charged whenever a gas or electric utility visits a residential service address intending to reconnect or disconnect service but due to customer action the utility is unable to complete the reconnection or disconnection at the time of the visit.

CADO opposes the rule change. It contends that the change would penalize customers, especially low-income customers, who manage to make payment before the actual disconnection takes place. CADO also contends that the overall costs of collection activity, including field visits, have been reduced by the Oregon Energy Assistance Program (OEAP).

Commission Resolution

The field visit charge helps offset the cost incurred by an electric or gas utility in sending a representative out to a customer's home to disconnect service. Because the utility incurs this cost even if the customer takes action to avert the disconnection, we agree with Staff that the rule should be clarified to expressly authorize collection of a field visit charge in these circumstances. We further agree that the rule should authorize a field visit charge when a utility attempts to reconnect service but is unable to do so due to customer action.⁵

We acknowledge CADO's concerns about low-income customers. We note, however, that prior to scheduling a field service visit, a utility is required to provide two notices of disconnection for nonpayment of services rendered. A utility must first provide notice 15

⁵ OAR 860-021-0330 allows a utility to charge a fee to reconnect service, but does not authorize collection of any fee if a utility attempts to reconnect service at the customer's request but then is prevented by the customer from doing so.

days prior to the scheduled date for disconnection.⁶ At least five business days before the proposed disconnection date, a utility must also mail or deliver a written disconnection notice to the customer.⁷ A customer may avoid a field visit charge by taking action to prevent disconnection at any time prior to the utility's visit to the service address. Moreover, we recognize OEAP's efforts and the resulting decrease in the utilities' collection costs. The activities of OEAP, however, do not eliminate the expense incurred by a utility when it visits a service address to disconnect or reconnect service.

After a review of the various proposals, we find the alternative language proposed by Staff, NW Natural, PacifiCorp and PGE to be reasonable, and adopt it. OAR 860-021-0420 should be amended accordingly.

Implementation

Finally, the Commission recognizes that these rule changes will require utilities to modify procedures and train staff. Accordingly, the utilities should be given 90 days to implement and comply with the amended rules.

ORDER

IT IS ORDERED that:

1. The modifications to Oregon Administrative Rule 860, Divisions 021, 034, 036 and 037, as set forth in Appendix A, are adopted.
2. The amended rules shall become effective upon filing with the Secretary of State.

⁶ OAR 860-021-0405(3)

⁷ OAR 860-021-0405(6).

ORDER NO. DRAFT

3. Utilities shall have 90 days to fully implement and comply with the amended rules.

Made, entered, and effective _____.

Lee Beyer
Chairman

John Savage
Commissioner

Ray Baum
Commissioner

A person may petition the Commission for the amendment or repeal of a rule pursuant to ORS 183.390. A person may petition the Court of Appeals to determine the validity of a rule pursuant to ORS 183.400.

DIVISION 021

860-021-0009

Applications for Utility Service from an Energy or Large Telecommunications Utility

(1) An application for energy or telecommunications utility service must be made when:

(a) Service is requested by a person who has not previously been served by the energy or large telecommunications utility;

(b) Service has been involuntarily discontinued in accordance with these rules, and the person later seeks to have service restored; or

(c) Service has been voluntarily discontinued, and a request to restore service has not been made within 20 days.

(2) An application is a request for energy or telecommunications utility service. The energy or large telecommunications utility shall not accept an application for service until the applicant establishes credit as set forth in OAR 860-021-0200 and OAR 860-021-0205.

However, the energy or large telecommunications utility may refuse a service application under OAR 860-021-0335.

(3) An energy or large telecommunications utility may require an applicant to provide the following information when applying for service:

(a) The name of person(s) responsible for payment on the account;

(b) The name to be used to identify the account, if different than the actual name;

(c) The birth date of person(s) responsible for payment on the account;

(d) The social security number of person(s) responsible for payment on the account;

(e) A current valid Oregon driver license number of the person(s) responsible for payment on the account;

(f) The service address;

(g) The billing address, if different than service address; and

(h) Any available telephone numbers where the applicant can be reached night and day.

(4) In lieu of providing a valid social security number or current valid Oregon driver license number under section (3) of this rule, an applicant may provide:

(a) A valid state or federal identification containing name and photograph of the person(s) responsible for payment on the account;

(b) A combination of:

(A) An original or certified true copy of his or her birth certificate;

(B) A current identification from school or employer containing a photograph; and

(C) The name, address, and telephone number of a person who can verify the applicant's identity, such as a teacher, employer, or caseworker; or,

(c) Other information deemed sufficient by the utility to establish an applicant's identification.

(5) If an applicant is denied service for failure to provide an acceptable form of identification, the applicant may pursue conflict resolution under the Commission's rules.

(6) Upon request, the energy or large telecommunications utility shall protect the account from access by others through the use of a personalized password or other means acceptable to both the energy or large telecommunications utility and the customer.

(7) A large telecommunications utility shall protect the identity of a customer at risk of domestic violence or other abuse. The large telecommunications utility shall provide the identity protection by allowing the customer to use a modified or alternative name for a directory listing or by providing, at no cost, a non-published listing in accordance with other applicable tariff provisions for the length of time the endangerment exists. A customer requesting a nonpublished listing under this section must provide:

(a) A copy of a court order that restrains another person from contact with the customer by reason of risk of domestic violence, as defined in ORS 135.230, or unwanted sexual contact, as defined in ORS 163.305, abuse, as defined by the Elderly and Disabled Person Abuse Prevention Act, ORS 124.005 et seq., or stalking, as defined by ORS 163.730 et seq.; and

(b) An affidavit, stating that the customer is financially unable to pay for the nonpublished listing.

Stat. Auth.: ORS Ch. 183, 756, 757 & 759

Stat. Implemented: ORS 756.040

Hist.: PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); PUC 2-1993, f. & ef. 1-8-93 (Order No. 92-1793); PUC 11-1995, f. & ef. 11-27-95 (Order No. 95-1217); PUC 11-1998, f. & ef. 5-7-98 (Order No. 98-188); PUC 16-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-021-0021

Interruption of Utility Service

(1) Each energy or large telecommunications utility shall keep a record of any interruption of service affecting its whole system, or a major section thereof, including a statement of the time, duration, and cause of interruption.

(2) Each energy or large telecommunications utility shall make all reasonable efforts to prevent interruptions of service. When such interruptions occur, the energy or large telecommunications utility shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

(3) ~~To the extent practical, the~~Each energy or large telecommunications utility shall make reasonable efforts to notify every customer affected in advance of any ~~contemplated scheduled~~ work ~~which that~~ will interrupt service, but such notice shall not be required in case of interruption due to emergency repairs or for repairs or maintenance work performed by a telecommunications utility that results in an interruption of less than five minutes. All scheduled interruptions shall be made at a time causing minimum inconvenience to customers. In determining reasonable notice, the energy or large telecommunications utility shall consider the length of the planned interruption, the type and number of customers affected, the potential impact of the interruption on customers, and other surrounding circumstances.

Notice may be given in writing, either via US mail or a door hanger on the affected premises, or by contact with the customer or an adult at the residence by personal visit or by telephone.

(4) In addition to the requirements above, electric utilities shall comply with OAR 860-023-0080 through 860-023-0160, which set additional requirements for electric service reliability and reporting.

Stat. Auth.: ORS Ch. 183, 756, 757 & 759

Stat. Implemented: ORS 756.040

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 6-1979, f. & ef. 10-6-79 (Order No. 79-680); Renumbered from 860-021-0070; PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); Renumbered from 860-021-0067; PUC 11-1998, f. & ef. 5-7-98 (Order No. 98-188); PUC 16-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-021-0125

Due and Payable Period

(1) Each energy or large telecommunications utility shall establish procedures to ensure that the ~~due and payable~~ period **from the billing transmittal for all current charges, including payment for final bills, to the due date** is not less than 15 days ~~for all customers~~.

(2) If the bill is delivered by US mail, the due and payable period begins the day after the US Postal Service postmark or the day after the date of postage metering.

Stat. Auth.: ORS Ch. 183, 756, 757 & 759

Stat. Implemented: ORS 756.040

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); Renumbered from 860-021-0035; PUC 11-1998, f. & ef. 5-7-98 (Order No. 98-188); PUC 4-1999, f. & ef. 8-16-99 (Order No. 99-488); PUC 16-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-021-0130

Meter Test

(1) Any customer may ask the energy utility to test a meter. Such tests shall be made within 20 working days of the request at no cost to the customer. If a customer requests more than one meter test within any 12-month period, the energy utility may ~~require a deposit from charge~~ the customer to recover the reasonable cost of the test. The energy utility ~~will return the deposit~~ **may not charge the customer** if the meter is found to register ~~more than 2 percent fast~~ **outside the 2 percent accepted tolerance standard** under normal operating conditions.

(2) A customer and/or a designated representative shall have the right to be present at any meter test. The test shall be conducted at a mutually acceptable time during regular business hours.

(3) A written report showing the customer's name, the request date, the address where the meter has been installed, the meter's number, the date tested, and the test result shall be supplied to the customer within a reasonable time after completing the test.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stats. Implemented: ORS 756.040 & 757.255

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); Renumbered from 860-021-0025; PUC 11-1998, f. & ef. 5-7-98 (Order No. 98-188)

860-021-0200

Establishing Credit for Residential Utility Service

~~———— (1) Mandatory deposit from known credit risks. Except as provided in section (5) of this rule, an energy or large telecommunications utility shall require a deposit from a customer or applicant who:~~

~~———— (a) Received the same type of utility service (energy or telecommunications) from it or any Oregon utility, as defined in ORS 757.005 or 759.005, within the preceding 24 months and owed an account balance that was not paid according to its terms when service was terminated. This subsection does not apply to a customer who registered a dispute with the Commission within 60 days after service terminated and who promptly paid all undisputed or adjudicated amounts; or~~

~~———— (b) Was previously terminated for theft of service by it or any Oregon utility, as defined in ORS 757.005 or 759.005, or was otherwise found to have diverted utility service.~~

~~———— (2) Credit established by prior account in good standing. An energy or large telecommunications utility may not require a deposit from an applicant it served within the preceding 24 months who voluntarily terminated service and whose final bill was paid in full by its due date.~~

~~———— (3) Credit established by other means. In all other cases, an applicant may choose whether to submit:~~

~~———— (a) A letter from another utility, as defined in ORS 757.005 or 759.005, on that utility's official stationery signed by an authorized employee, stating the utility served the named applicant within the preceding 24 months for the same type of utility service (energy or telecommunications), the applicant voluntarily terminated service, and the applicant paid his/her final bill in full by its due date; or~~

~~———— (b) A written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage. For the purpose of this rule, an energy or large telecommunications utility customer who has received service continuously for the preceding 12 months from the same utility without late payment is a responsible party. The surety obligation ceases when the customer establishes good credit; or~~

~~———— (c) A deposit; or~~

~~———— (d) Positive identification. A customer or applicant provides positive identification by executing a service application which includes the customer's or applicant's name,~~

address, date of birth, and social security number, if any, and is supported by any one of the following:

~~—— (A) An Oregon license from Department of Transportation Driver and Motor Vehicle Services Branch or other state identification containing the customer's or applicant's photograph or other identifying information such as name, date of birth, sex, height, color of eyes, and address; or~~

~~—— (B) U.S. passport, certificate of citizenship or naturalization, Immigration and Naturalization Service temporary resident card, employment authorization card, or equivalent identification, with photograph; or~~

~~—— (C) A combination of:~~

~~—— (i) Birth certificate or social security card;~~

~~—— (ii) Current identification from school, employment, Department of Human Resources Adult and Family Services Division, or other State of Oregon assistance program; and~~

~~—— (iii) With the name, address, and telephone number of a person who can verify the customer's or applicant's identity as shown, such as a teacher, employer, or caseworker.~~

~~—— (4) Except as provided in section (5) of this rule, a deposit required under these rules will not exceed one sixth the amount of reasonable estimated billing for 12 months at rates then in effect. This estimate shall be based upon the use of service at the premises during the prior 12 months or upon the type and size of the customer's equipment that will use the service. Deposits for telecommunications service shall be based upon two months' average or estimated usage of the energy or large telecommunications utility's tariff and price-listed services.~~

~~—— (5) For telecommunications service applicants who are eligible for OTAP funding and who voluntarily elect to receive toll-blocked service, no deposit may be charged. The large telecommunications utility shall make toll blocking available at no charge to all applicants identified in rule.~~

~~—— (6) Any additional or subsequent deposit required shall be calculated as provided by section (4) of this rule using the most recent information available. Such deposits may be required as a condition of continued service:~~

~~—— (a) For large telecommunications utilities, if service records indicate unbilled intraLATA toll activity greater than the basis of the prior deposit;~~

~~—— (b) For energy utilities, if the customer moves and the anticipated bill at the new residence will be at least 20 percent greater than the basis of the prior deposit; and~~

~~—— (c) When a customer who established credit by providing "positive identification" under these rules, the customer gave false information to establish identity.~~

~~—— (7) Paying a deposit does not excuse a customer from complying with the energy or large telecommunications utility's tariffs or other regulations on file with the Commission, such as the obligation to promptly pay bills.~~

~~(8) An energy or large telecommunications utility may file a tariff that contains less stringent deposit requirements than those specified in this rule.~~

(1) An applicant or customer may demonstrate satisfactory credit for new or continuing service by showing any of the following, provided that a deposit is not required under section (2) of this rule:

(a) Received 12 months of continuous utility service of the same type applied for (energy or telecommunications) during the preceding 24 months and the utility can verify, either by contacting the former utility or through an authorized letter provided by former utility on utility letterhead to include dates of service and presented by the applicant, customer or former utility, that the applicant or customer voluntarily terminated service and timely paid for all services rendered;

(b) Meets Commission approved minimum credit requirements based on a third party credit report score or the energy or large telecommunications utility's own credit scoring formula; or

(c) Proof of ability to pay by providing either:

(A) Proof of employment during the entire 12 months previous to the application of service for person(s) responsible for payment on the account and a work telephone number to enable the energy or large telecommunications utility to verify employment; or

(B) A statement or other documentation from the income provider or an authorized representative, that the energy or large telecommunications utility can verify, indicating that the applicant or customer receives a regular source of income.

(2) An applicant or customer may be required to pay a deposit at the time of application for new or continued service when:

(a) The applicant or customer is unable to establish credit as defined in section (1) of this rule;

(b) The applicant or customer received the same type of utility service from it or any Oregon energy or telecommunications utility, as defined in ORS 757.005 or 759.005, within the preceding 24 months and owed an account balance that was not paid in full when service was terminated. Subsection (2)(b) of this rule does not apply to a customer who registered a dispute with the Commission within 60 days after service was terminated and who paid all undisputed or adjudicated amounts; or

(c) The applicant or customer was previously terminated for theft of service by any Oregon utility as defined in ORS 757.005 or 759.005, was found to have tampered with the meter or other utility facilities, or was otherwise found to have diverted utility service.

(3) In lieu of paying a deposit, an applicant or customer may:

(a) Provide the energy or large telecommunications utility a written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage. For purposes of section (3) of this rule, a responsible party is a customer with the same utility who meets one of the qualifying conditions outlined in section (1) of this rule. The surety agreement obligation will automatically terminate should the responsible party no longer meet the conditions set forth herein. In the event a responsible party is subsequently found not to qualify, the applicant or customer will be required to either pay a deposit or obtain a written surety agreement from another responsible party. The surety obligation ceases when the customer establishes good credit; or

(b) For energy utilities, elect to use demand limiter or “pay as you go” metering, if equipment is available.

(4) For energy utilities, a deposit required under this rule shall not exceed one-sixth the amount of reasonable estimated billing for 12 months at rates then in effect. This estimate shall be based upon actual use at the premises during the prior 12 months, if known, or will be estimated based upon the type and size of the equipment at the premises. Each deposit shall be rounded to the nearest whole dollar.

(5) For large telecommunication utilities, a deposit required under these rules shall be based upon two months' average or estimated bills for usage of the applicable telecommunications utility's tariff and price-listed services. Each deposit shall be rounded to the nearest whole dollar. For telecommunications service, applicants eligible for Oregon Telephone Assistance Program (OTAP) funding and who voluntarily elect to receive toll-blocked service, no deposit may be charged. The large telecommunications utility shall make toll blocking available at no charge to all applicants identified in OAR 860-033-0030.

(6) A new or additional deposit, calculated as provided by sections (4) and (5) of this rule with the most recent information available, may be required from a customer as a condition of continued service when:

(a) The energy or large telecommunications utility discovers that the customer gave false information to establish an account and/or credit status;

(b) The energy or large telecommunications utility discovers that the customer has stolen utility service, has tampered with the meter or other utility facilities, or was otherwise found to have diverted utility service;

(c) For energy utilities, a customer moves and the anticipated bill at the new residence will be at least 20 percent greater than the basis of the existing deposit; or

(d) For large telecommunications utilities, if service records for the customer indicates unbilled intraLATA toll activity under the utilities' tariff and price list is greater than the basis of the prior deposit.

(7) Paying a deposit does not excuse a customer from complying with the energy or large telecommunications utility's tariffs or other regulations on file with the Commission, such as the obligation to promptly pay bills.

(8) An energy or large telecommunications utility may file a tariff that contains less stringent deposit requirements than those specified in this rule.

Stat. Auth.: ORS Ch. 183, 756, 757, 759 & Ch. 290, OL 1987

Stats. Implemented: ORS 756.040 & Ch. 290, OL 1987

Hist.: PUC 164, f. 4-18-74, ef. 5-11-74 (Order No. 74-307); PUC 6-1981, f. & ef. 8-10-81 (Order No. 81-498); PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); Renumbered from 860-021-0040; PUC 5-1989 (Temp), f. & cert. ef. 4-19-89 (Order No. 89-493); PUC 13-1989, f. & cert. ef. 9-12-89 (Order No. 89-1173); PUC 16-1990, f. 9-28-90, cert. ef. 10-1-90 (Order No. 90-1105); PUC 13-1997, f. & ef. 11-12-97 (Order No. 97-434); PUC 17-1997 (Temp), f. 12-11-97, ef. 1-1-98 (Order No. 97-469); PUC 5-1998, f. & cert. ef. 3-13-98 (Order No. 98-058); PUC 16-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-021-0205

Deposit Payment Arrangements for Residential Electric and Gas Utility Service

(1) When a gas or electric utility requires a deposit, the customer or applicant may pay the deposit in full or in three installments. The first installment is due immediately; the remaining installments are due 30 days and 60 days after the first installment payment. Except for the last payment, installments shall be the greater of \$30 or one-third **of** the deposit.

(2) When an installment payment or a deposit is made with a payment for gas or electric utility service, the amount paid shall first be applied toward payment of the amount due for deposit.

(3) When the gas or electric utility requires the customer or applicant to pay an additional deposit, the customer shall pay one-third of the total deposit, or at least \$30, whichever is greater, within five days. The remainder of the deposit is due under the terms of section (1) of this rule. If the customer has an existing deposit installment agreement, the remaining installment payments will be adjusted to include the additional deposit; however, two installment payments cannot be required within the same 30-day period.

(4) When a customer or applicant enters into an installment agreement for payment of a deposit under section (1) of this rule, the gas or electric utility shall provide written notice explaining its deposit requirements. The notice shall specify the date each installment payment shall be due and shall include a statement printed in bold-face type informing the customer or applicant that utility service will be disconnected if the gas or electric utility does not receive the payment when due. The notice shall also set forth the name and telephone number of the appropriate unit within the Department of Human ~~Resources~~ **Services** or other agencies which may be able to help the customer obtain financial aid.

(5) If a customer fails to abide by the terms of a deposit installment agreement, the gas or electric utility may disconnect service after a five-day notice. The notice shall contain the information set forth in OAR 860-021-0405(2)(a), (b), (c), (e), (f), and (g) and shall be served as required by OAR 860-021-0405(5).

(6) When good cause exists, the Commission or the gas or electric utility may provide more liberal arrangements for payment of deposits than those set forth in this rule. The gas or electric utility shall keep a written record of the reasons for such action.

(7) If disconnection for nonpayment of a deposit occurs, the customer disconnected shall pay the full amount of the deposit, any applicable reconnection fee, late-payment fee, and one-half the past due amount before service is restored. The customer shall pay the balance of the past-due amount within 30 days of the date service is restored. A customer may continue with an existing time-payment agreement by paying all past-due installments, the full deposit, and other applicable fees.

Stat. Auth.: ORS 183, 756, 757 & Ch. 290, OL 1987
Stats. Implemented: ORS 756.040 & Ch. 290, OL 1987

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Hist.: PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284), PUC 12-1983 f. & ef. 10-7-83 (Order No. 83-623); PUC 5-1987, f. & ef. 7-2-87 (Order No. 87-723); PUC 3-1989, f. 2-6-89, cert. ef. 2-8-89 (Order No. 89-038); PUC 16-1990, f. 9-28-90, cert. ef. 10-1-90 (Order No. 90-1105); PUC 11-1998, f. & ef. 5-7-98 (Order No. 98-188); PUC 16-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-021-0206

Payment Arrangements for Deposit and Installation Charges for Residential Telecommunications Utility Service

(1) Time payments for deposits and nonrecurring charges shall be limited to charges for residential service and intraLATA toll. When the large telecommunications utility requires deposits and/or nonrecurring charges to establish or reestablish service from an applicant, the applicant shall pay one-fourth of the deposit and/or nonrecurring charges immediately. The customer **or applicant** shall pay the remainder in three equal installments, which shall be due 30, 60, and 90 days, respectively, after the date the payment agreement is executed. **Except for the last payment, installments shall be the greater of \$20 or one-fourth of the total deposit.** In communicating with an applicant to establish service or to require a deposit and/or nonrecurring charge, the large telecommunications utility shall inform the applicant of the availability of Link-Up America and Oregon Telephone Assistance Program benefits and inform the applicant that details are available from the Commission.

(2) When a customer makes an installment payment or a deposit with a payment for **telecommunications** utility service, the large telecommunications utility shall first apply the amount paid toward the amount due for deposit and/or nonrecurring charges.

(3) A customer who is required to pay an additional deposit shall pay one-fourth of the total deposit within five days to the large telecommunications utility. The remainder of the deposit is due under the terms of section (1) of this rule. If the customer has an existing deposit installment agreement, the remaining installment payments will be adjusted to include the additional deposit; however, two installment payments cannot be required within the same 30-day period.

(4) When a customer enters into an installment agreement for payment of a deposit **and/or** nonrecurring charges under section (1) of this rule, the large telecommunications utility shall provide written notice explaining its deposit and nonrecurring charges requirements. The notice shall specify the date each installment payment shall be due and shall include a statement printed in bold-face type informing the customer that utility service will be disconnected if payment is not received when due.

(5) If a customer fails to abide by the terms of an installment agreement, the large telecommunications utility may disconnect local exchange service after providing a written five-day notice. The notice shall contain the information set forth in OAR 860-021-0505(3)(a) through (e) and shall be served as required by in OAR 860-021-0505(4) and (5). In lieu of permanent disconnection, the large telecommunications utility may curtail service pursuant to OAR 860-021-0505(7).

(6) When good cause exists, the large telecommunications utility may provide or the Commission may require, more liberal arrangements for payment of deposits and/or

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nonrecurring charges than those set forth in this rule. The large telecommunications utility shall keep a written record of the reasons for such action.

(7) If disconnection for nonpayment of a deposit and/or nonrecurring charges occurs, the customer disconnected shall pay the full amount of the deposit, and/or nonrecurring charges, any applicable reconnection fee, late-payment fee, and past due tariff and price-listed amount before service is restored. A customer may continue with an existing medical certificate time-payment agreement by paying all past-due installments.

Stat. Auth.: ORS Ch. 183, 756 & Ch. 290, OL 1987

Stats. Implemented: ORS 756.040 & Ch. 290, OL 1987

Hist.: PUC 3-1989, f. 2-6-89, cert. ef. 2-8-89 (Order No. 89-038); PUC 16-1990, f. 9-28-90, cert. ef. 10-1-90 (Order No. 90-1105); PUC 11-1998, f. & ef. 5-7-98 (Order No. 98-188); PUC 16-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-021-0210

Interest on Deposits for Residential and Nonresidential Utility Service

(1) ~~Unless otherwise specified by the Commission, customer deposits shall accrue interest at a rate based upon~~ Each year, the Commission shall establish an annual interest rate that must be paid on customer deposits. The Commission will base the rate upon consideration of the effective interest rate for new issues of one-year Treasury Bills issued during the last week of October, the interest rate on the most recent issuance of one-year Treasury Bills, or the effective interest rate for the average yield of Treasury Bills of the closest term issued during the last week of October. This interest rate, rounded to the nearest one-half of one percent, shall apply to deposits held during January 1 through December 31 of the subsequent year. The Commission will advise all energy and large telecommunications utilities of the changes in the rate to be paid on customer deposits held as needed.

(2) Upon payment of a deposit, the energy or large telecommunications utility shall ~~furnish~~ provide the customer documentation a receipt showing the date, name of the applicant or customer, the service address, the amount of deposit, a statement that the deposit will accrue interest at the rate prescribed by the Commission, and an explanation of the conditions under which the deposit will be refunded.

(3) If the deposit is held beyond one year, accrued interest will be paid by a credit to the customer's account. If held less than one year, interest will be prorated. An energy or large telecommunications utility shall keep a detailed record of each deposit received until the deposit is credited or refunded.

Stat. Auth.: ORS Ch. 183, 756, 757, 759 & Ch. 290, OL 1987

Stats. Implemented: ORS 756.040 & Ch. 290, OL 1987

Hist.: PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); PUC 3-1989, f. 2-6-89, cert. ef. 2-8-89 (Order No. 89-038); PUC 16-1990, f. 9-28-90, cert. ef. 10-1-90 (Order No. 90-1105); PUC 16-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-021-0420

Disconnect Field Visit Charge

A Commission approved fee ~~in an amount approved by the Commission~~ may be charged whenever a gas or electric utility ~~is required to~~ visits a residential service address intending to reconnect or disconnect service, but due to customer action, the gas or electric utility is unable to complete the reconnection or disconnection at the time of the visit ~~to serve a disconnection notice under OAR 860-021-0405(5) or (6).~~

Stat. Auth.: ORS Ch. 183, 756 & 757

Stats. Implemented: ORS 756.040 & 757.225

Hist.: PUC 5-1983, f. 5-31-83, ef. 6-1-83 (Order No. 83-284); PUC 12-1983, f. & ef. 10-7-83 (Order No. 83-623); PUC 16-1990, f. 9-28-90, cert. ef. 10-1-90 (Order No. 90-1105); PUC 11-1998, f. & ef. 5-7-98 (Order No. 98-188)

DIVISION 034

860-034-0030

Applications for Service from a Small Telecommunications Utility

(1) An application for telecommunications utility service must be made when:

(a) Service is requested by a person who has not previously been served by the small telecommunications utility; or

(b) Service has been involuntarily discontinued in accordance with these rules, and the person later seeks to have service restored.

(2) An application for telecommunications utility service may be requested when service has been voluntarily discontinued, and a request to restore service has not been made within 20 days.

(3) An application is a request for telecommunications utility service. The small telecommunications utility shall not accept an application for service until the applicant:

(a) Establishes credit as set forth in OAR 860-034-0140; or

(b) Pays a deposit or deposit installment to the small telecommunications utility.

(3) A small telecommunications utility may require an applicant to provide the following information when applying for service:

(a) The name of person(s) responsible for payment on the account;

(b) The name to be used to identify the account, if different than the actual name;

(c) The birth date of person(s) responsible for payment on the account;

(d) The social security number of person(s) responsible for payment on the account;

(e) A current valid Oregon driver license number of the person(s) responsible for payment on the account;

(f) The service address;

(g) The billing address, if different than service address; and

(h) Any available telephone numbers where the applicant can be reached night and day.

(4) In lieu of providing a valid social security number or current valid Oregon driver license number under section (3) of this rule, an applicant may provide:

(a) A valid state or federal identification containing name and photograph of the person(s) responsible for payment on the account;

(b) A combination of:

(A) An original or certified true copy of his or her birth certificate;

(B) A current identification from school or employer containing a photograph; and

(C) The name, address, and telephone number of a person who can verify the applicant's identity, such as a teacher, employer, or caseworker; or

(c) Other information deemed sufficient by the utility to establish an applicant's identification.

(5) If an applicant is denied service for failure to provide an acceptable form of identification, the applicant may pursue conflict resolution under the Commission's rules.

(6) Upon request, the small telecommunications utility shall protect the account from access by others through the use of a personalized password or other means acceptable to both the small telecommunications utility and the customer.

(7) A small telecommunications utility shall protect the identity of a customer at risk of domestic violence or other abuse. The small telecommunications utility shall provide the identity protection by allowing the customer to use a modified or alternative name for a directory listing or by providing, at no cost, a non-published listing in accordance with other applicable tariff provisions for the length of time the endangerment exists. A customer requesting a nonpublished listing under this section must provide:

(a) A copy of a court order that restrains another person from contact with the customer by reason of risk of domestic violence, as defined in ORS 135.230, or unwanted sexual contact, as defined in ORS 163.305, abuse, as defined by the Elderly and Disabled Person Abuse Prevention Act, ORS 124.005 et seq., or stalking, as defined by ORS 163.730 et seq.; and

(b) An affidavit, stating that the customer is financially unable to pay for the nonpublished listing.

Stat. Auth.: ORS Ch. 183, 756 & 759

Stat. Implemented: ORS 759.045

Hist.: PUC 6-1993, f. & ef. 2-19-93 (Order No. 93-185); PUC 12-1998, f. & ef. 5-7-98 (Order No. 98-188); PUC 15-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-034-0090

Interruption of Utility Service

(1) Each small telecommunications utility shall keep a record of any interruption of service affecting its whole system, or a major section thereof, including a statement of the time, duration, and cause of interruption.

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(2) Each small telecommunications utility shall make all reasonable efforts to prevent interruptions of service and when such interruptions occur, shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

(3) ~~To the extent practical,~~ **Each small telecommunications utility shall make all reasonable efforts to notify every customer affected shall be notified in advance of any contemplated scheduled work which that will result in interruption of interrupt service, but such notice shall not be required in case of interruption due to emergency repairs or for repairs or maintenance work that results in an interruption of less than five minutes. All scheduled interruptions shall be made at a time causing minimum inconvenience to customers. In determining reasonable notice, the small telecommunications utility shall consider the length of the planned interruption, the type and number of customers affected, the potential impact of the interruption on customers, and other surrounding circumstances. Notice may be given in writing, either via US mail or a door hanger on the affected premises, or by contact with the customer or an adult at the residence by personal visit or by telephone.**

Stat. Auth.: ORS Ch. 183, 756 & 759

Stat. Implemented: ORS 759.045

Hist.: PUC 6-1993, f. & ef. 2-19-93 (Order No. 93-185); PUC 12-1998, f. & ef. 5-7-98 (Order No. 98-188); PUC 15-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-034-0110

Due and Payable Period

(1) Each small telecommunications utility shall establish procedures to ensure that the ~~due and payable~~ period **from the billing transmittal for all current charges, including payment of final bills, to the due date,** is not less than 15 days.

(2) If the bill is delivered by US mail, the due and payable period begins the day after the ~~U-SUS~~ Postal Service postmark or the day after the date of postage metering.

Stat. Auth.: ORS Ch. 183, 756 & 759

Stat. Implemented: ORS 759.045

Hist.: PUC 6-1993, f. & ef. 2-19-93 (Order No. 93-185); PUC 12-1998, f. & ef. 5-7-98 (Order No. 98-188); PUC 4-1999, f. & ef. 8-16-99 (Order No. 99-488); PUC 15-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-034-0140

Establishing Credit for Residential Utility Service

~~(1) Mandatory deposit from known credit risks. Except as provided in section (5) of this rule, a small telecommunications utility shall require a deposit from a customer or applicant who:~~

~~(a) Received the same type of utility service from it or any Oregon telecommunications utility, as defined in ORS 759.005, within the preceding 24 months and owed an account balance that was not paid according to its terms when service was~~

~~terminated. This subsection does not apply to a customer who registered a dispute with the Commission within 60 days after service terminated and who promptly paid all undisputed or adjudicated amounts; or~~

~~—— (b) Was previously terminated for theft of utility service by it or any Oregon regulated electric, gas, water, or telecommunications utility or was otherwise found to have diverted electric, gas, water, or telecommunications utility service.~~

~~—— (2) Credit established by prior account in good standing. A small telecommunications utility may not require a deposit from an applicant it served within the preceding 24 months who voluntarily terminated utility service and whose final bill was paid in full by its due date.~~

~~—— (3) Credit established by other means. In all other cases, an applicant may choose whether to submit:~~

~~—— (a) A letter from another telecommunications utility or telecommunications cooperative, on that telecommunications utility's or telecommunications cooperative's official stationary signed by an authorized employee, stating the utility served the named applicant within the preceding 24 months, the applicant voluntarily terminated utility service, and the applicant paid his/her final bill in full by its due date; or~~

~~—— (b) A written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage. For the purpose of this rule, a customer of a small telecommunications utility who has received utility service continuously for the preceding 12 months from the same utility without late payment is a responsible party. The surety obligation ceases when the customer establishes good credit; or~~

~~—— (c) A deposit; or~~

~~—— (d) Positive identification. A customer or applicant provides positive identification by executing a service application which includes the customer's or applicant's name, address, date of birth, and social security number, if any, and is supported by any one of the following:~~

~~—— (A) An Oregon license from Department of Transportation Driver and Motor Vehicle Services Branch or other state identification containing the customer's or applicant's photograph or other identifying information such as name, date of birth, sex, height, color of eyes, and address; or~~

~~—— (B) U.S. passport, certificate of citizenship or naturalization, Immigration and Naturalization Service temporary resident card, employment authorization card, or equivalent identification, with photograph; or~~

~~—— (C) A combination of:~~

~~—— (i) Birth certificate or social security card;~~

~~—— (ii) Current identification from school, employment, Department of Human Resources Adult and Family Services Division, or other State of Oregon assistance program; and~~

~~—— (iii) With the name, address, and telephone number of a person who can verify the customer's or applicant's identity as shown, such as a teacher, employer, or caseworker.~~

~~(4) Except as provided in section (5) of this rule, a deposit required under these rules will be based upon two months' average or estimated usage of the small telecommunications utility's tariff and price listed services.~~

~~(5) For utility service applicants who are eligible for OTAP funding and who voluntarily elect to receive toll-blocked service, no deposit may be charged. A small telecommunications utility shall make toll blocking available at no charge to all applicants identified in rule.~~

~~(6) Any additional or subsequent deposit required shall be calculated as provided by section (4) of this rule using the most recent information available. Such deposits may be required as a condition of continued utility service:~~

~~(a) If service records indicate unbilled intra-LATA toll activity greater than the basis of the prior deposit;~~

~~(b) When a customer who established credit by providing "positive identification" under these rules, the customer gave false information to establish identity.~~

~~(7) Paying a deposit does not excuse a customer from complying with the small telecommunications utility's tariffs or other regulations on file with the Commission, such as the obligation to promptly pay bills.~~

~~(8) A small telecommunications utility may file a tariff that contains less stringent deposit requirements than those specified in this rule.~~

(1) An applicant or customer may demonstrate satisfactory credit for new or continuing service by showing any of the following, provided that a deposit is not required under section (2) of this rule:

(a) Received 12 months of continuous telecommunications utility service during the preceding 24 months and the small telecommunications utility can verify, either by contacting the former utility or through an authorized letter provided by the applicant or customer, that the applicant or customer voluntarily terminated service and timely paid for all services rendered;

(b) Meets the small telecommunications utility's minimum credit requirements based on a third party credit report score or based on the utility's own credit scoring formula approved by the Commission; or

(c) Proof of ability to pay by providing either:

(A) Proof of employment during the entire 12 months previous to the application of service for person(s) responsible for payment on the account and a work telephone number to enable the small telecommunications utility to verify employment; or

(B) A statement or other documentation from the income provider or an authorized representative, that the small telecommunications utility can verify, indicating that the applicant or customer receives a regular source of income.

(2) An applicant or customer may be required to pay a deposit at the time of application for new or continued service when:

(a) The applicant or customer is unable to establish credit as defined in section (1) of this rule;

(b) The applicant or customer received the same type of utility service from it or any Oregon telecommunications utility or telecommunications cooperative, as defined in

ORS 759.005, within the preceding 24 months and owed an account balance that was not paid in full when service was terminated. Subsection (2)(b) of this rule does not apply to a customer who registered a dispute with the Commission within 60 days after service was terminated and who paid all undisputed or adjudicated amounts; or

(c) The applicant or customer was previously terminated for theft of service by any Oregon telecommunications utility or telecommunications cooperative as defined in ORS 759.005, was found to have tampered with other telecommunications utility facilities, or was otherwise found to have diverted telecommunications utility service.

(3) In lieu of paying a deposit, an applicant or customer may provide the small telecommunications utility a written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage. For purposes of section (3) of this rule, a responsible party is a customer with the same utility who meets one of the qualifying conditions outlined in section (1) of this rule. The surety agreement obligation will automatically terminate should the responsible party no longer meet the conditions set forth herein. In the event a responsible party is subsequently found not to qualify, the applicant or customer will be required to either pay a deposit or obtain a written surety agreement from another responsible party. The surety obligation ceases when the customer establishes good credit.

(4) Deposits for telecommunications service shall be based upon two months' average or estimated bills for usage of the applicable telecommunications utility's tariff and price-listed services. Each deposit shall be rounded to the nearest whole dollar. For telecommunications service, applicants eligible for Oregon Telephone Assistance Program (OTAP) funding and who voluntarily elect to receive toll-blocked service, no deposit may be charged. The small telecommunications utility shall make toll blocking available at no charge to all applicants identified in OAR 860-033-0030.

(5) A new or additional deposit, calculated as provided by sections (4) of this rule with the most recent information available, may be required from a customer as a condition of continued service when:

(a) The small telecommunications utility discovers that the customer gave false information to establish an account and/or credit status;

(b) The small telecommunications utility discovers that the customer has stolen utility service, has tampered with the meter or other utility facilities, or was otherwise found to have diverted utility service; or

(c) If service records for the customer indicates unbilled intraLATA toll activity under the small telecommunications utility's tariff and price list is greater than the basis of the prior deposit.

(6) Paying a deposit does not excuse a customer from complying with the small telecommunications utility's tariffs or other regulations on file with the Commission, such as the obligation to promptly pay bills.

(7) A small telecommunications utility may file a tariff that contains less stringent deposit requirements than those specified in this rule.

Stats. Implemented: ORS 759.045 & Ch. 290, OL 1987

Hist.: PUC 6-1993, f. & ef. 2-19-93 (Order No. 93-185); PUC 17-1997 (Temp), f. 12-11-97, ef. 1-1-98 (Order No. 97-469); PUC 5-1998, f. & cert. ef. 3-13-98 (Order No. 98-058); PUC 15-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

860-034-0160

Interest on Deposits for Residential and Nonresidential Utility Service

(1) ~~Unless otherwise specified by the Commission, customer deposits shall accrue interest at a rate based upon~~ **Each year, the Commission shall establish an annual interest rate that must be paid on customer deposits. The Commission will base the rate upon consideration of** the effective interest rate for new issues of one-year Treasury Bills issued during the last week of October, **the interest rate on the most recent issuance of one-year Treasury Bills, or the effective interest rate for the average yield of Treasury Bills of the closest term issued during the last week of October.** This interest rate, rounded to the nearest **one-half of one** percent, shall apply to deposits held during January 1 through December 31 of the subsequent year. The Commission will advise all small telecommunications utilities of the changes in the rate to be paid on customer deposits held as needed.

(2) Upon payment of a deposit, the small telecommunications utility shall ~~furnish~~ **provide the customer documentation receipt** showing the date, name of the applicant or customer, the service address, the amount of deposit, a statement that the deposit will accrue interest at the rate prescribed by the Commission, and an explanation of the conditions under which the deposit will be refunded.

(3) If the deposit is held beyond one year, accrued interest will be paid by a credit to the customer's account. If held less than one year, interest will be prorated. A small telecommunications utility shall keep a detailed record of each deposit received until the deposit is credited or refunded.

Stat. Auth.: ORS Ch. 183, 756, 759 & Ch. 290, OL 1987

Stats. Implemented: ORS 759.045 & Ch. 290, OL 1987

Hist.: PUC 6-1993, f. & ef. 2-19-93 (Order No. 93-185); PUC 12-1997, f. & ef. 10-30-97 (Order No. 97-413); PUC 15-2001, f. & cert. ef. 6-21-01 (Order No. 01-488)

DIVISION 036

860-036-0035

Applications for Water Utility Service

(1) An application for water utility service must be made when:

(a) Service is requested by an applicant who has not previously been served by the water utility;

(b) Service has been involuntarily discontinued in accordance with these rules and the customer or applicant later seeks to have service restored; or

(c) Service has been voluntarily discontinued and a request to restore service has not been made within 20 days.

(2) An application is a request for water utility service. The water utility shall not accept an application for service until the applicant establishes credit as set forth in OAR 860-036-0040. However, the water utility may refuse a service application under OAR 860-036-0080.

(3) A water utility may require an applicant to provide the following information when applying for service:

- (a) The name of person(s) responsible for payment on the account;**
- (b) The name to be used to identify the account, if different than the actual name;**
- (c) The birth date of person(s) responsible for payment on the account;**
- (d) The social security number of person(s) responsible for payment on the account;**
- (e) A current valid Oregon driver license number of the person(s) responsible for payment on the account;**
- (f) The service address;**
- (g) The billing address, if different than service address; and**
- (h) Any available telephone numbers where the applicant can be reached night and day.**

(4) In lieu of providing a valid social security number or current valid Oregon driver license number under section (3) of this rule, an applicant may provide:

- (a) A valid state or federal identification containing name and photograph of the person(s) responsible for payment on the account;**
- (b) A combination of:**
 - (A) An original or certified true copy of his or her birth certificate;**
 - (B) A current identification from school or employer containing a photograph; and**
 - (C) The name, address, and telephone number of a person who can verify the applicant's identity, such as a teacher, employer, or caseworker; or**
- (c) Other information deemed sufficient by the utility to establish an applicant's identification.**

(5) If an applicant is denied service for failure to provide an acceptable form of identification, the applicant may pursue conflict resolution under the Commission's rules.

(6) Upon request, the water utility shall protect the account from access by others through the use of a personalized password or other means acceptable to both the water utility and the customer.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stat. Implemented: ORS 756.040

Hist.: PUC 13-1997, f. & ef. 11-12-97 (Order No. 97-434); PUC 15-1998, f. & ef. 8-27-98 (Order No. 98-359)

860-036-0040

Establishing Credit for Residential Service

- ~~(1) A water utility may require a deposit from a customer or applicant who:~~
- ~~—— (a) Received service from it or any Oregon regulated water utility within the preceding 24 months and, at the time service was terminated, owed an account balance that was not paid according to its terms. This section does not apply to customers who registered a dispute with the Commission within 60 days after service terminated and who promptly paid all undisputed or adjudicated amounts; or~~
 - ~~—— (b) Was previously terminated for theft of service by it or any Oregon regulated utility or was otherwise found to have diverted utility service.~~
- ~~(2) A water utility shall not require a deposit from an applicant it served within the preceding 24-month period who voluntarily terminated service and whose final bill was paid in full by its due date.~~
- ~~(3) In all other cases, a customer or applicant may choose whether to submit one of the following:~~
- ~~—— (a) A letter from another water utility on that utility's official stationery and signed by an authorized employee stating that it served the named applicant within the preceding 24 months for water service, that the applicant voluntarily terminated service and paid his/her final bill in full by its due date; or~~
 - ~~—— (b) A written surety agreement from a responsible party to secure payment in an amount equal to two month's average usage. For the purpose of this rule, a water utility customer who has received service continuously for the preceding 12 months from the same water utility company without late payment is considered a responsible party. The obligation of the surety ceases when the customer establishes good credit; or~~
 - ~~—— (c) A customer or applicant provides a deposit and positive identification by providing the customer's or applicant's name, address, date of birth, social security number, if any, and is supported by any one of the following:~~
 - ~~—— (A) An Oregon license from the Department of Transportation, Driver and Motor Vehicle Service Branch, or other state identification containing a photograph of the customer or applicant or other identifying information such as name, date of birth, sex, height, color of eyes, and address; or~~
 - ~~—— (B) U.S. passport, certificate of citizenship or naturalization, Immigration and Naturalization Service temporary resident card, employment authorization card, or equivalent identification, with photograph; or~~
 - ~~—— (c) A combination of one from each of the following groups:~~
 - ~~—— (i) Birth certificate or social security card; and~~
 - ~~—— (ii) Current identification from school, employment, Adult and Family Services Division, or other State of Oregon assistance program; and~~
 - ~~—— (iii) The name, address, and telephone number of a person who can verify the customer's or applicant's identity as shown, such as a teacher, employer, or caseworker.~~

~~(4) A deposit required under these rules shall not exceed one-sixth the amount of reasonable estimated billing for one year at rates then in effect. This estimate shall be based upon the use of service at the premises during the prior year or upon the type and size of the customer's equipment that will use the service.~~

~~(5) Any additional or subsequent deposit required shall be calculated as provided for by section (4) of this rule using the most recent information available. Such deposits may be required as a condition of continued service:~~

~~(a) If the customer moves and the anticipated bill at the new residence will be at least 20 percent greater than that upon which the prior deposit was based; or~~

~~(b) In the case of a customer who established credit by providing "positive identification" under these rules, the customer gave false information to establish identify.~~

~~(6) Paying a deposit does not excuse a customer or applicant from complying with the water utility's tariffs, statement of rates, or other regulations, such as the obligation to promptly pay bills.~~

~~(7) A water utility may require less stringent deposit requirements than those specified in this section provided the requirements used by the water utility are nondiscriminatory.~~

(1) An applicant or customer may demonstrate satisfactory credit for new or continuing service by showing any of the following, provided that a deposit is not required under section (2) of this rule:

(a) Received 12 months of continuous water utility service during the preceding 24 months and the water utility can verify, either by contacting the former water utility or through an authorized letter provided by the applicant or customer, that the applicant or customer voluntarily terminated service and timely paid for all services rendered;

(b) Meets the water utility's minimum credit requirements based on a third party credit report score or based on the water utility's own credit scoring formula approved by the Commission; or

(c) Proof of ability to pay by providing either:

(A) Proof of employment during the entire 12 months previous to the application of service for person(s) responsible for payment on the account and a work telephone number to enable the water utility to verify employment; or

(B) A statement or other documentation from the income provider or an authorized representative, that the water utility can verify, indicating that the applicant or customer receives a regular source of income.

(2) An applicant or customer may be required to pay a deposit at the time of application for new or continued service when:

(a) The applicant or customer is unable to establish credit as defined in section (1) of this rule;

(b) The applicant or customer received the same type of water utility service from it or any Oregon water utility, as defined in ORS 757.005, within the preceding 24 months and owed an account balance that was not paid in full when service was terminated.

Subsection (2)(b) of this rule does not apply to a customer who registered a dispute with the

Commission within 60 days after service was terminated and who paid all undisputed or adjudicated amounts; or

(c) The applicant or customer was previously terminated for theft of service by any Oregon water utility as defined in ORS 757.005, was found to have tampered with the meter or other water utility facilities, or was otherwise found to have diverted water utility service.

(3) In lieu of paying a deposit, an applicant or customer may provide the water utility a written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage. For purposes of section (3) of this rule, a responsible party is a customer with the same water utility who meets one of the qualifying conditions outlined in section (1) of this rule. The surety agreement obligation will automatically terminate should the responsible party no longer meet the conditions set forth herein. In the event a responsible party is subsequently found not to qualify, the applicant or customer will be required to either pay a deposit or obtain a written surety agreement from another responsible party. The surety obligation ceases when the customer establishes good credit.

(4) Deposits for water utility service shall not exceed one-sixth the amount of reasonable billing for one year at the rates then in effect. The estimate shall be based on the use of the service at the premises during the prior year or on the type and size of the customer's equipment that will use the service. Each deposit shall be rounded to the nearest whole dollar.

(5) A new or additional deposit, calculated as provided by sections (4) of this rule with the most recent information available, may be required from a customer as a condition of continued service when:

(a) The water utility discovers that the customer gave false information to establish an account and/or credit status;

(b) The water utility discovers that the customer has stolen water utility service, has tampered with the meter or other water utility facilities, or was otherwise found to have diverted water utility service; or

(c) A customer moves and the anticipated bill at the new residence will be at least 20 percent greater than the basis of the existing deposit.

(6) Paying a deposit does not excuse a customer from complying with the water utility's tariffs or other regulations on file with the Commission, such as the obligation to promptly pay bills.

(7) A water utility may file a tariff that contains less stringent deposit requirements than those specified in this rule.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stat. Implemented: ORS 756.040

Hist.: PUC 13-1997, f. & ef. 11-12-97 (Order No. 97-434); PUC 9-1999 (Temp), f. 10-22-99 & ef. 10-23-99 (Order No. 99-650; PUC 6-2000, f. 4-18-00 & ef. 4-20-00 (Order No. 00-194)

860-036-0050

Interest on Deposits for Residential and Nonresidential Service

(1) ~~Unless otherwise specified by the Commission, customer deposits shall accrue interest at a rate based upon~~ **Each year, the Commission shall establish an annual interest rate that must be paid on customer deposits. The Commission will base the rate upon consideration of the effective interest rate for new issues of one-year Treasury Bills issued during the last week of October, the interest rate on the most recent issuance of one-year Treasury Bills, or the effective interest rate for the average yield of Treasury Bills of the closest term issued during the last week of October.** This interest rate, rounded to the nearest **one-half of one** percent, shall apply to deposits held during January 1 through December 31 of the subsequent year. The Commission will advise all water utilities of the changes in the rate to be paid on customer deposits held as needed.

(2) ~~The water utility shall furnish, u~~Upon payment of a deposit, **the water utility shall provide the customer documentation a receipt** showing the date, name of the customer or applicant, the service address, the amount of deposit, a statement that the deposit will accrue interest at the rate prescribed by the Commission, and an explanation of the conditions under which the deposit will be refunded.

(3) If the deposit is held beyond one year, accrued interest will be paid by a credit to the customer's account. If held less than one year, interest will be prorated. A water utility shall keep a detailed record of each deposit received until the deposit is credited or refunded.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stat. Implemented: ORS 756.040

Hist.: PUC 13-1997, f. & ef. 11-12-97 (Order No. 97-434)

860-036-0075

Interruption of Service

(1) A water utility shall keep a record of any interruption of service affecting its whole system, or a major section thereof, including a statement of the time, duration, and cause of interruption.

(2) A water utility shall make all reasonable efforts to prevent interruptions of service. When such interruptions occur, the water utility shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

(3) ~~To the extent practical,~~ **Each water utility shall make all reasonable efforts to notify every customer affected shall be notified in advance of any contemplated scheduled work which that will interrupt service, but such notice shall not be required in case of interruption due to emergency repairs or for repairs or maintenance work that results in an interruption of less than five minutes. All scheduled interruptions shall be made at a time causing minimum inconvenience to customers. In determining reasonable notice, the water utility shall consider the length of the planned interruption, the type and number of customers affected, the potential impact of the interruption on customers, and other surrounding circumstances. Notice may be given in writing, either via US mail or a door hanger**

on the affected premises, or by contact with the customer or an adult at the residence by personal visit or by telephone. Whenever possible, scheduled interruptions shall be at such hours as will provide least inconvenience to the customer.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stat. Implemented: ORS 756.040

Hist.: PUC 13-1997, f. & ef. 11-12-97 (Order No. 97-434); PUC 15-1998, f. & ef. 8-27-98 (Order No. 98-359); PUC 8-2002, f. & ef. 2-26-2002 (Order No. 02-116)

860-036-0115

Customer Requested Meter Test

(1) Any customer may ask the water utility to test the water meter used to measure the customer's service. The water utility shall make such test within 20 working days of the request at no cost to the customer. If a customer requests more than one meter test within any 12-month period, the water utility may ~~require a deposit from~~ charge the customer to recover the reasonable cost of the test. The water utility ~~must return the deposit and~~ may not charge the customer ~~for a subsequent meter test when~~ if the meter is found to register outside the 2 percent accepted tolerance standard under normal operating conditions.

(2) A customer or a designated representative shall have the right to be present at any meter test. The test shall be conducted at a mutually acceptable time during regular business hours.

(3) The water utility must provide a written report to the customer within 10 working days from the date the meter test showing the customer's name, the request date, the address where the meter is installed, the meter's identification number, the date tested, and the test result.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stat. Implemented: ORS 756.040

Hist.: PUC 13-1997, f. & ef. 11-12-97 (Order No. 97-434); PUC 15-1998, f. & ef. 8-27-98 (Order No. 98-359); PUC 8-2002, f. & ef. 2-26-2002 (Order No. 02-116)

860-036-0125

Due and Payable Period; Time-Payment Agreements for Residential Service

(1) Each water utility shall establish procedures to ensure that the period from the billing transmittal **for all current charges, including payment of the final bill, to the** due date is not less than 15 days ~~for all customers. If the bill is delivered by US mail, the due and payable period begins the day after the US Postal Service postmark or the day after the date of postage metering.~~

(2) A water utility may not disconnect residential service for non-payment if a customer enters into a written time-payment plan. A water utility will offer customers a choice of payment agreements. At a minimum, the customer may choose between a levelized-payment plan and an equal-pay arrearage plan.

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(3) A customer who selects a leveled-payment plan will pay a down payment equal to the average annual bill including the account balance, divided by 12, and a like payment each month for 11 months thereafter:

(a) The monthly installment plan shall be reviewed by the water utility periodically. If necessary, due to changing rates or variations in the amount of service used by the customer, the installment amount may be adjusted in order to bring the account into balance within the time period specified in the original agreement.

(b) If a customer changes service address at any time during the period of a time-payment agreement, provided that payments are then current and the customer pays other scheduled or tariffed charges associated with the change in residence, the water utility shall recalculate the customer's deposit or monthly installment. The recalculated amount shall reflect the balance of the account at the previous service address and the average annual bill at the new service address for the months remaining in the original time-payment agreement. When installments on a time-payment agreement have not been kept current, a customer shall be required to pay all past-due installments, together with any other applicable charges before service is provided at the new residence.

(4) A customer who selects an equal-pay arrearage plan will pay a down payment equal to 1/12 the amount owed for past water utility service (including the overdue amount and any amounts owed for a current bill or a bill being prepared but not yet delivered to the customer). Each month, for the next 11 months, an amount equal to the down payment will be added to, and payable with, the current charges due for water utility service. If a customer changes service address at any time during the period of an equal-pay arrearage plan, the plan continues. However, the customer must pay any past-due charges and all other applicable charges before the water utility provides service at the new address.

(5) The water utility and customer may agree in writing to an alternate payment arrangement, provided the water utility first informs the customer of the availability of the payment terms set forth in sections (3) and (4) of this rule.

(6) If a customer fails to abide by the time-payment agreement, the water utility may disconnect service after serving a 15-day disconnect notice. The notice shall comply with OAR 860-036-0245, except that subsection (5)(d) shall not be applicable. Such customers shall not be eligible for a renewal or renegotiation of a time-payment plan.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stat. Implemented: ORS 756.040

Hist.: PUC 13-1997, f. & ef. 11-12-97 (Order No. 97-434)

DIVISION 037

860-037-0030

Applications for Water/Wastewater Utility Service

(1) An application for water/wastewater utility service must be made when:

(a) Service is requested by an applicant who has not previously been served by the water/wastewater utility;

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(b) Service has been involuntarily discontinued in accordance with these rules and the customer or applicant later seeks to have service restored; or

(c) Service has been voluntarily discontinued and a request to restore service has not been made within 20 days.

(2) An application is a request for water/wastewater utility service. The water/wastewater utility shall not accept an application for service until the applicant establishes credit as set forth in OAR 860-037-0035. However, the water/wastewater utility may refuse a service application under OAR 860-037-0075.

(3) A water/wastewater utility may require an applicant to provide the following information when applying for service:

- (a) The name of person(s) responsible for payment on the account;**
- (b) The name to be used to identify the account, if different than the actual name;**
- (c) The birth date of person(s) responsible for payment on the account;**
- (d) The social security number of person(s) responsible for payment on the account;**
- (e) A current valid Oregon driver license number of the person(s) responsible for payment on the account;**
- (f) The service address;**
- (g) The billing address, if different than service address; and**
- (h) Any available telephone numbers where the applicant can be reached night and day.**

(4) In lieu of providing a valid social security number or current valid Oregon driver license number under section (3) of this rule, an applicant may provide:

- (a) A valid state or federal identification containing name and photograph of the person(s) responsible for payment on the account;**
- (b) A combination of:**
 - (A) An original or certified true copy of his or her birth certificate;**
 - (B) A current identification from school or employer containing a photograph; and**
 - (C) The name, address, and telephone number of a person who can verify the applicant's identity, such as a teacher, employer, or caseworker; or**
- (c) Other information deemed sufficient by the utility to establish an applicant's identification.**

(5) If an applicant is denied service for failure to provide an acceptable form of identification, the applicant may pursue conflict resolution under the Commission's rules.

(6) Upon request, the water/wastewater utility shall protect the account from access by others through the use of a personalized password or other means acceptable to both the water/wastewater utility and the customer.

Stat. Auth.: ORS Ch. 183, 756 & 757
Stats. Implemented: ORS 756.040, 757.005 & 757.061
Hist.: PUC 9-1999 (Temp), f. 10-22-99 & ef 10-23-99 (Order No. 99-650); PUC 6-2000, f. 4-18-00 & ef. 4-20-00 (Order No. 00-194)

860-037-0035

Establishing Credit for Residential Service

~~(1) A water/wastewater utility may require a deposit from a customer or applicant who:~~

~~—— (a) Received service from it or any Oregon regulated water/wastewater utility within the preceding 24 months and, at the time service was terminated, owed an account balance that was not paid according to its terms. This section does not apply to customers who registered a dispute with the Commission within 60 days after service terminated and who promptly paid all undisputed or adjudicated amounts; or~~

~~—— (b) Was previously terminated by it or any Oregon regulated utility for theft of service or was otherwise found to have diverted utility service.~~

~~—— (2) A water/wastewater utility shall not require a deposit from an applicant it served within the preceding 24-month period who voluntarily terminated service and whose final bill was paid in full by its due date.~~

~~—— (3) In all other cases, a customer or applicant may choose whether to submit one of the following:~~

~~—— (a) A letter from another water/wastewater utility on that utility's official stationery and signed by an authorized employee stating that it served the named applicant within the preceding 24 months for water/wastewater service, that the applicant voluntarily terminated service and paid his/her final bill in full by its due date; or~~

~~—— (b) A written surety agreement from a responsible party to secure payment in an amount equal to two month's average usage. For the purpose of this rule, a water/wastewater utility customer who has received service continuously for the preceding 12 months from the same water/wastewater utility company without a late payment is considered a responsible party. The obligation of the surety ceases when the customer establishes good credit; or~~

~~—— (c) A customer or applicant provides a deposit and positive identification by providing the customer's or applicant's name, address, date of birth, social security number, if any, and is supported by any one of the following:~~

~~—— (A) An Oregon license from the Department of Transportation, Driver and Motor Vehicle Service Branch, or other state identification containing a photograph of the customer or applicant or other identifying information such as name, date of birth, sex, height, color of eyes, and address; or~~

~~—— (B) U.S. passport, certificate of citizenship or naturalization, Immigration and Naturalization Service temporary resident card, employment authorization card, or equivalent identification, with photograph; or a combination of one from each of the following groups:~~

~~—— (i) Birth certificate or social security card; and~~

~~—— (ii) Current identification from school, employment, Adult and Family Services Division, or other State of Oregon assistance program; and~~

~~—— (iii) The name, address, and telephone number of a person who can verify the customer's or applicant's identity as shown, such as a teacher, employer, or caseworker.~~

~~(4) A deposit required under these rules shall not exceed one-sixth of the amount of a reasonable estimated billing for one year at rates then in effect. This estimate shall be based upon the use of service at the premises during the prior year or upon the type and size of the customer's equipment that will use the service.~~

~~(5) Any additional or subsequent deposit required shall be calculated as provided for by section (4) of this rule using the most recent information available. Such deposits may be required as a condition of continued service:~~

~~(a) If the customer moves and the anticipated bill at the new residence will be at least 20 percent greater than that upon which the prior deposit was based; or~~

~~(b) In the case of a customer who established credit by providing "positive identification" under these rules, the customer gave false information to establish identify.~~

~~(6) Paying a deposit does not excuse a customer or applicant from complying with the water/wastewater utility's tariffs, rules and regulations, such as the obligation to promptly pay bills.~~

~~(7) A water/wastewater utility may require less stringent deposit requirements than those specified in this section provided the requirements used by the water/wastewater utility are nondiscriminatory.~~

(1) An applicant or customer may demonstrate satisfactory credit for new or continuing service by showing any of the following, provided that a deposit is not required under section (2) of this rule:

(a) Received 12 months of continuous water/wastewater utility service type during the preceding 24 months and the new water/wastewater utility can verify, either by contacting the former water/wastewater utility or through an authorized letter provided by the applicant or customer, that the applicant or customer voluntarily terminated service and timely paid for all services rendered;

(b) Meets the water/wastewater utility's minimum credit requirements based on a third party credit report score or based on the water/wastewater utility's own credit scoring formula approved by the Commission; or

(c) Proof of ability to pay by providing either:

(A) Proof of employment during the entire 12 months previous to the application of service for person(s) responsible for payment on the account and a work telephone number to enable the water/wastewater utility to verify employment; or

(B) A statement or other documentation from the income provider or an authorized representative, that the water/wastewater utility can verify, indicating that the applicant or customer receives a regular source of income.

(2) An applicant or customer may be required to pay a deposit at the time of application for new or continued service when:

(a) The applicant or customer is unable to establish credit as defined in section (1) of this rule;

(b) The applicant or customer received the same type of water/wastewater utility service from it or any Oregon water/wastewater utility, as defined in ORS 757.005, within the preceding 24 months and owed an account balance that was not paid in full when service was terminated. Subsection (2)(b) of this rule does not apply to a customer who

registered a dispute with the Commission within 60 days after service was terminated and who paid all undisputed or adjudicated amounts; or

(c) The applicant or customer was previously terminated for theft of service by any Oregon water/wastewater utility as defined in ORS 757.005, was found to have tampered with the meter or other water/wastewater utility facilities, or was otherwise found to have diverted water/wastewater utility service.

(3) In lieu of paying a deposit, an applicant or customer may provide the water/wastewater utility a written surety agreement from a responsible party to secure payment in an amount equal to two months' average usage. For purposes of section (3) of this rule, a responsible party is a customer with the same water/wastewater utility who meets one of the qualifying conditions outlined in section (1) of this rule. The surety agreement obligation will automatically terminate should the responsible party no longer meet the conditions set forth herein. In the event a responsible party is subsequently found not to qualify, the applicant or customer will be required to either pay a deposit or obtain a written surety agreement from another responsible party. The surety obligation ceases when the customer establishes good credit.

(4) Deposits for water/wastewater utility service shall not exceed one-sixth the amount of reasonable billing for 12 months at the rates then in effect. The estimate shall be based on the use of the service at the premises during the prior 12 months or on the type and size of the customer's equipment that will use the service. Each deposit shall be rounded to the nearest whole dollar.

(5) A new or additional deposit, calculated as provided by sections (4) of this rule with the most recent information available, may be required from a customer as a condition of continued service when:

(a) The water/wastewater utility discovers that the customer gave false information to establish an account and/or credit status;

(b) The water/wastewater utility discovers that the customer has stolen water/wastewater utility service, has tampered with the meter or other water/wastewater utility facilities, or was otherwise found to have diverted water/wastewater utility service;
or

(c) A customer moves and the anticipated bill at the new residence will be at least 20 percent greater than the basis of the existing deposit.

(6) Paying a deposit does not excuse a customer from complying with the water/wastewater utility's tariffs or other regulations on file with the Commission, such as the obligation to promptly pay bills.

(7) A water/wastewater utility may file a tariff that contains less stringent deposit requirements than those specified in this rule.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stats. Implemented: ORS 756.040, 757.005 & 757.061

Hist.: PUC 9-1999 (Temp), f. 10-22-99 & ef 10-23-99 (Order No. 99-650); PUC 6-2000, f. 4-18-00 & ef. 4-20-00 (Order No. 00-194)

860-037-0045

Interest on Deposits for Residential and Nonresidential Service

(1) ~~Unless otherwise specified by the Commission, customer deposits shall accrue interest at a rate based upon~~ **Each year, the Commission shall establish an annual interest rate that must be paid on customer deposits. The Commission will base the rate upon consideration of** the effective interest rate for new issues of one-year Treasury Bills issued during the last week of October, **the interest rate on the most recent issuance of one-year Treasury Bills, or the effective interest rate for the average yield of Treasury Bills of the closest term issued during the last week of October.** This interest rate, rounded to the nearest **one-half of one** percent, shall apply to deposits held during January 1 through December 31 of the subsequent year. The Commission will advise water/wastewater utilities of the changes in the rate to be paid on customer deposits held as needed.

(2) ~~The water/wastewater utility shall furnish, u~~ Upon payment of a deposit, **the water/wastewater utility shall provide the customer documentationa receipt** showing the date, name of the customer or applicant, the service address, the amount of deposit, a statement that the deposit will accrue interest at the rate prescribed by the Commission, and an explanation of the conditions under which the deposit will be refunded.

(3) If the deposit is held beyond one year, accrued interest will be paid by a credit to the customer's account. If held less than one year, interest will be prorated. A water/wastewater utility shall keep a detailed record of each deposit received until the deposit is credited or refunded.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stats. Implemented: ORS 756.040, 757.005 & 757.061

Hist.: PUC 9-1999 (Temp), f. 10-22-99 & ef 10-23-99 (Order No. 99-650); PUC 6-2000, f. 4-18-00 & ef. 4-20-00 (Order No. 00-194)

860-037-0070

Interruption of Service

(1) A water/wastewater utility shall keep a record of any interruption of service affecting its whole system, or a major section thereof, including a statement of the date, time, duration, and cause of interruption, remedy, and steps taken to prevent reoccurrence.

(2) A water/wastewater utility shall make all reasonable efforts to prevent interruptions of service. When such interruptions occur, the water/wastewater utility shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public.

(3) ~~To the extent practical,~~ **Each water/wastewater utility shall make all reasonable efforts to notify every customer affected shall be notified in advance of any contemplated scheduled work which that will interrupt service, but such notice shall not be required in case of interruption due to emergency repairs or for repairs or maintenance work that results in an interruption of less than five minutes. All scheduled interruptions shall be made at a time causing minimum inconvenience to**

customers. In determining reasonable notice, the water/wastewater utility shall consider the length of the planned interruption, the type and number of customers affected, the potential impact of the interruption on customers, and other surrounding circumstances. Notice may be given in writing, either via US mail or a door hanger on the affected premises, or by contact with the customer or an adult at the residence by personal visit or by telephone. ~~Whenever possible, scheduled interruptions shall be at such hours as will provide least inconvenience to the customer.~~

Stat. Auth.: ORS Ch. 183, 756 & 757

Stats. Implemented: ORS 756.040, 757.005 & 757.061

Hist.: PUC 9-1999 (Temp), f. 10-22-99 & ef 10-23-99 (Order No. 99-650); PUC 6-2000, f. 4-18-00 & ef. 4-20-00 (Order No. 00-194)

860-037-0110

Due and Payable Period; Time-Payment Agreements for Residential Service

(1) Each water/wastewater utility shall establish procedures to ensure that the period from **the billing transmittal for all current charges, including payment of the final bill,** to **the** due date is not less than 15 days ~~for all customers~~. **If the bill is delivered by US mail, the due and payable period begins the day after the US Postal Service postmark or the day after the date of postage metering.**

(2) A water/wastewater utility may not disconnect residential water service for nonpayment of wastewater service charges if a customer enters into a written time-payment plan. A water/wastewater utility will offer customers a choice of payment agreements. At a minimum, the customer may choose between a levelized-payment plan and an equal-pay arrearage plan.

(3) A customer who selects a levelized-payment plan will pay a down payment equal to the average annual bill including the account balance, divided by 12, and a like payment each month for 11 months thereafter:

(a) The monthly installment plan shall be reviewed by the water/wastewater utility periodically. If necessary, due to changing rates or variations, the installment amount may be adjusted in order to bring the account into balance within the time period specified in the original agreement;

(b) If a customer changes his/her service address at any time during the period of a time-payment agreement, provided that payments are then current and the customer pays other scheduled or tariffed charges associated with the change in residence, the water/wastewater utility shall recalculate the customer's deposit or monthly installment. The recalculated amount shall reflect the balance of the account at the previous service address and the average annual bill at the new service address for the months remaining in the original time-payment agreement. When installments on a time-payment agreement have not been kept current, a customer shall be required to pay all past-due installments, together with any other applicable charges before service is provided at the new residence.

(4) A customer who selects an equal-pay arrearage plan will pay a down payment equal to 1/12 the amount owed for past water/wastewater utility service (including the overdue amount

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and any amounts owed for a current bill or a bill being prepared but not yet delivered to the customer). Each month, for the next 11 months, an amount equal to the down payment will be added to, and payable with, the current charges due for wastewater service. If a customer changes his/her service address at any time during the period of an equal-pay arrearage plan, the plan continues. However, the customer must pay any past-due charges and all other applicable charges before the water/wastewater utility provides service at the new address.

(5) The water/wastewater utility and customer may agree in writing to an alternate payment arrangement, provided the water/wastewater utility first informs the customer of the availability of the payment terms set forth in sections (3) and (4) of this rule.

(6) If a customer fails to abide by the wastewater time-payment agreement, the water/wastewater utility may disconnect water service after serving a 15-day disconnect notice. The notice shall comply with OAR 860-037-0245, except that subsection (5)(d) shall not be applicable. Such customers shall not be eligible for a renewal or renegotiation of a time-payment plan.

Stat. Auth.: ORS Ch. 183, 756 & 757

Stats. Implemented: ORS 756.040, 757.005 & 757.061

Hist.: PUC 9-1999 (Temp), f. 10-22-99 & ef. 10-23-99 (Order No. 99-650); PUC 6-2000, f. 4-18-00 & ef. 4-20-00 (Order No. 00-194)