

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: October 11, 2005**

REGULAR  CONSENT  EFFECTIVE DATE  NA

**DATE:** October 4, 2005

**TO:** Public Utility Commission

**FROM:** Vikie Bailey-Goggins

**THROUGH:** Lee Sparling, Marc Hellman, Michael Dougherty, and Terry Lambeth

**SUBJECT:** AR 502: Opens a rulemaking to increase the late payment fee for water utilities.

**STAFF RECOMMENDATION:**

Revise OAR 860-011-0080(15)(d) to raise the late statement fee for water utilities from \$25 to \$40. The increased fee would serve as a better incentive or stronger penalty, and it would encourage more timely filing and payments. The higher amount would also make an additional collection option available to the Commission when a water utility does not make the required payment.

**DISCUSSION:**

ORS 756.310 requires gas utilities, electric companies, telecommunications providers, and water utilities to pay annual fees to the Commission and submit annual fee statements by April 1. The minimum annual fee due from water utilities is \$10.

Commission Order 03-409 (AR 460) imposed \$100 late statement fees on gas utilities, electric companies, telecommunications providers, and water utilities to encourage more timely filings of their annual fee statements. Telecommunications providers are also charged \$100 for submitting late Residential Service Protection Fund and Oregon Universal Service reports. The late statement fee for water utilities was reduced to \$25 in Order 04-753 (AR 487).

Recently, when Utility Program staff developed and implemented extensive revisions to the annual fee collection and audit procedures for telecommunications providers, staff learned that Department of Revenue, for collection purposes, will not pursue balances under \$50. A few water utilities owe the \$10 annual fee, \$25 late statement

fee, and a small amount of statutory late payment penalties (at 2 percent per month), for totals of less than \$50 each.

The \$25 has not been providing enough incentive for water utilities to file their statements on time. In addition, the current \$25 late statement fee for water utilities leaves the balances too low to send to Department of Revenue for collections.

Increasing the late statement fee to \$40 would make an additional collection option available to the Commission. Companies that do not file annual fee statements generally do not pay their annual fees. Therefore, if the \$40 were added to the minimum annual gross revenue fee of \$10, the sum would meet the \$50 threshold for collections, and the Commission's collection ability would be improved. The \$15 increase would also serve as more of an incentive or penalty and perhaps encourage more timely filing and payments.

**PROPOSED COMMISSION MOTION:**

Open a rulemaking to increase the late statement fee for water utilities to \$40.

Attachment

## **860-011-0080**

### **Schedule of Fees and Charges**

Unless otherwise provided, the Commission will impose the following fees and charges:

(1) Photocopies:

(a) No charge for 20 pages or less, in excess of 20 pages, per page: 25 cents (for example, if 21 pages requested, charge would be \$5 minimum plus 25 cents, for a total of \$5.25).

(b) Other government agencies, per page from first page: 05 cents.

(2) Certification of true copies of public documents (per document certification): \$10.

(3) Maps of specific area boundaries: \$15.

(4) Hearing transcripts: At cost. A copy of a public hearing transcript shall be supplied to a party without cost upon the filing with the Commission of a satisfactory affidavit of indigency, pursuant to ORS 756.521. Such a request shall be filed on a form supplied by the Commission and contain information for the Commission to use to determine the eligibility of the requesting party.

(5) Statistical reports (second and subsequent copies): \$15.

(6) Facsimile transmission (FAX) charges: No charge for first 15 pages transmitted; additional pages, per page: \$1.

(7) Audio recordings: \$5 per package.

(8) Staff research time: At cost.

(9) Annual subscription to all Commission orders or notices of specific hearings will be provided under the following schedule. Subscribers will be notified of renewal requirements on a yearly basis.

Orders: \$100; Hearing Notices: \$50.

Administrative Rules update service: \$75.

(10) Computer services: At cost.

(11) Billing: The Commission may require cash payment before honoring any request. Billings for unpaid balances may accompany mailed copies.

(12) Waiver of fees: No fee shall be charged or collected for copies of published documents furnished to or provided for routine requests for one copy of a Commission order, administrative rules, and general publications. Requests for additional copies will be subject to applicable charges.

(13) Late Fees and Penalties:

(a) Check Returned for Non-Sufficient Funds: \$25.

(b) Costs Incurred by the Commission to Collect Past-Due Amounts: At Cost.

(14) Late Payments:

(a) Interest on Annual Fees: None.

(b) Interest on Residential Service Protection Fund (RSPF): 9 percent per Annum.

(c) Penalty on Annual Fees: 2 Percent per Month.

(d) Penalty on RSPF: 9 percent of Unpaid Fee, up to \$500 maximum per reporting period.

(15) Late Statements and Reports:

(a) Electric Utility Annual Fee Statement: \$100.

(b) Gas Utility Annual Fee Statement: \$100.

(c) Telecommunications Providers Annual Fee Statement: \$100.

(d) Water Utility Annual Fee Statement: ~~\$2540~~.

(e) RSPF Report: \$100.

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

Stats. Implemented: ORS 756.040 & 756.500 through 756.575

Hist.: PUC 10-1994, f. & ef. 7-21-94 (Order No. 94-1127); PUC 1-1996, f. & ef. 2-21-96 (Order No. 96-043); PUC 3-1996, f & ef. 7-19-96 (Order No. 96-181); PUC 15-1997, f. & ef. 11-20-97 (Order No. 97-443); PUC 16-1998, f. & ef. 10-12-98 (Order No. 98-410); PUC 18-2004, f. & ef. 12-30-04 (Order No. 04-753)