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IDAHO PUBLIC  
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT )  
PETITION OF AVISTA CORPORATION, )  
IDAHO POWER COMPANY AND ) CASE NO. GNR-U-14-01  
ROCKY MOUNTAIN POWER COMPANY )  
FOR AN EXEMPTION FROM UTILITY )  
CUSTOMER RELATIONS RULE 311(4) )  
and (5). )  
\_\_\_\_\_ )

ROCKY MOUNTAIN POWER

DIRECT TESTIMONY

OF

BARBARA COUGHLIN

1 **Q. Please state your name, business address and position with PacifiCorp dba Rocky Mountain**  
2 **Power (the “Company” or “RMP”).**

3 A. My name is Barbara Coughlin. My business address is 825 N.E. Multnomah, Suite 800, Portland,  
4 Oregon 97232. My present position is Director, Customer & Regulatory Liaison in the Customer  
5 Services Department.

6 **Q. Briefly describe your educational and professional background.**

7 A. I have worked in the gas and electric utility industry since 1978. I received a Legal Assistant  
8 Certificate from Marycrest College in 1991. From 1978 to 1997, I held various positions of  
9 increasing levels of responsibility within the legal/regulatory department of Iowa-Illinois Gas and  
10 Electric, a predecessor company to MidAmerican Energy Company. In 1997, I was promoted to  
11 a customer services supervisor and in 1999 was promoted to customer services manager at  
12 MidAmerican Energy Company. I worked as manager of regulatory projects at PacifiCorp from  
13 2006 through 2008, when I was promoted to my current position of Director of Customer &  
14 Regulatory Liaison.

15 **Q. Have you previously appeared as a witness for the Company?**

16 A. Yes. I have testified in proceedings in the states of Washington, Oregon, Idaho, Utah, and  
17 Wyoming.

18 **Q. What is the purpose of your testimony in this case?**

19 A. Rocky Mountain Power is among the utilities filing a joint petition for an exemption from Utility  
20 Customer Relations Rules 311 (4) and (5). Specifically, UCRR 311 (4) and (5) state:

21 **04. Opportunity to Prevent Termination of Service.**

22 Immediately preceding termination of service, the employee designated to  
23 terminate service shall identify himself or herself to the customer or other  
24 responsible adult upon the premises and shall announce the purpose of the  
25 employee’s presence. This employee shall have in his or her possession  
26 the past due account record of the customer and shall request any available  
27 verification that the outstanding bills are satisfied or currently in dispute  
28 before this Commission. Upon presentation of evidence that outstanding  
29 bills are satisfied or currently in dispute before this Commission, service

1 shall not be terminated. The employee shall be authorized to accept  
2 full payment, or, at the discretion of the utility, partial payment, and in  
3 such case shall not terminate service. Nothing in this rule prevents a  
4 utility from proceeding with termination of service if the customer or  
5 other responsible adult is not on the premises.

6 **05. Notice of Procedure for Reconnecting Service.** The utility  
7 employee designated to terminate service shall give to the customer or  
8 leave in a conspicuous location at the affected service address, a notice  
9 showing the time of and grounds for termination, steps to be taken to  
10 secure reconnection, and the telephone numbers of utility personnel or  
11 other authorized representatives who are available to authorize  
12 reconnection.

13 My testimony outlines the Company's interest in receiving an exemption to UCRR 311 (4) and  
14 (5) to address RMP's ever-increasing safety concerns, impacts of the proposed change to the  
15 Company's customers, anticipated impacts to the company, availability of numerous payment  
16 options, and review of the disconnect notifications customers receive. Also included is the  
17 Company's experience after the process was changed in other states in which it serves, and its  
18 plan to communicate the change in practice if an exemption is granted.

19 **Background**

20 **Q. What is the Company's current practice when disconnecting a customer for nonpayment of**  
21 **their electric bill?**

22 A. The Company considers disconnection of electric service as a last resort. However, when it is  
23 necessary to disconnect a customer's service for nonpayment of the bill, following numerous  
24 mandatory and courtesy notifications of the due date of the customer's final notice, a field  
25 metering specialist is dispatched to the site to collect payment or disconnect service. Once at the  
26 site the specialist makes an attempt to speak with the customer or responsible adult at the site by  
27 knocking on the door. If there is no answer at the door, or payment or a payment arrangement  
28 cannot be made, the specialist leaves the door hanger and proceeds to disconnect the service. If  
29 the customer makes payment (in an amount sufficient to void the disconnection order), the

1 service is left on and a \$20 field service collection charge as authorized in the Company's  
2 Schedule 300 is added to the customer's next billing statement.

3 **Q. Does the Company have the ability to remotely disconnect service using an Advanced**  
4 **Metering Infrastructure ("AMI") technology?**

5 A. No, not at this time. RMP's meters in Idaho are a mix of electro mechanical, digital, and radio  
6 frequency (one-way communication) meters, with none having remote disconnection capability.

7 **Q. Does the Company have plans to install AMI technology in Idaho?**

8 A. No, not at this time. However, the Company continually evaluates the options and business case  
9 and will bring to this Commission for discussion at such time as the Company determines it is  
10 feasible and cost-effective for its Idaho customers.

11 **Q. If a customer makes a payment at the time of the disconnection site visit, how does the field**  
12 **metering specialist process that payment?**

13 A. The field metering specialist provides the customer a hand written receipt for the payment and  
14 makes an entry into their work management system via a laptop computer. This entry into the  
15 work management system indicates how the order was completed (service disconnected or  
16 service left on) and the amount of any payment made. The field metering specialists ythe  
17 payments in a locked vehicle until a deposit is made at a pay station at the end of their shift.  
18 Payment information is updated in the Company's customer information system within thirty  
19 minutes of the payment processing at the pay station.

20 **Q. With an exemption from UCRR 311 (4) and (5), what change is the Company proposing to**  
21 **make?**

22 A. When it is necessary to disconnect a customer's service for nonpayment of their bill, following  
23 the due date and numerous notifications discussed later in my testimony, a field metering  
24 specialist will be dispatched to the site to disconnect service. Once at the site, the field metering  
25 specialist will leave a door hanger with the required reconnection information and then proceed to  
26 disconnect the service.

1 **Q. If the customer is home at the time and indicates they will pay the bill, will the field**  
2 **metering specialist accept payment?**

3 A. No. Once this new practice is implemented the field metering specialist will no longer accept any  
4 payments. The field metering specialist at their discretion may offer the customer the opportunity  
5 to make a telephone, internet or pay station payment and delay the disconnection for a few  
6 minutes or hours to allow the customer to do so. Additionally, the field metering specialists  
7 always have the discretion to delay or void a disconnection if they are made aware or observe a  
8 situation where they believe disconnection of service will be harmful to a resident at the site.

9 **Safety and Security for Employees and Customers**

10 **Q. Why is the Company proposing to stop knocking at the door and accepting payments at the**  
11 **time of disconnection of service?**

12 A. The Company's interest in seeking an exemption to allow this proposed change in its practices  
13 was heightened by a disturbing incident that took place on June 26, 2012, in Mississippi. A  
14 collector with East Mississippi Electric Power Association went to a customer's premise to  
15 disconnect service. The collector was later found dead, having been beaten by a shovel and shot  
16 in the back.

17 As a result of this incident, Rocky Mountain Power re-evaluated existing Company safety  
18 policies for its field personnel. Fortunately, the Company has not experienced a tragic incident  
19 such as the one in Mississippi. However, based on the Company's monitoring these types of  
20 incidents across the nation as well as the threats and incidents reported by its personnel indicates  
21 the number and severity of threats or incidents have increased from year to year.

22 **Q. Does Rocky Mountain Power or PacifiCorp have record of any physical altercations within**  
23 **its service territory?**

24 A. Yes, PacifiCorp recorded thirteen physical incidents in 2012 and 2013. Of the thirteen physical  
25 incidents, one involved a customer spitting on an employee and then slamming the Company  
26 truck door on the employee's leg, one involved a pit-bull attack, one involving a customer

1 attempting to engage the employee in a fist fight, one was an unspecified physical attack on a  
2 meter reader, one involved a customer turning a hose on an employee driving a vehicle and then  
3 spitting on the employee and eight involved a customer brandishing their firearm. Four incidents  
4 in particular noted the customer pointed the firearm directly at the employee.

5 Currently in Idaho, the Company has nine sites where aggressive customer behavior has  
6 been documented and three additional sites where police escort is required. These are sites where  
7 it is known we must use an abundance of caution. Unfortunately, unlawful and harmful behavior  
8 does not always come with a warning.

9 **Q. Does the current rule, which requires an attempt to make face-to-face contact and collection**  
10 **of payment at the premises, present safety concerns?**

11 **A.** Yes. As I just noted customer confrontation and threats continue to increase and escalate.  
12 Additionally, multiple governmental agencies have researched workplace violence and provided  
13 useful information and statistics regarding workplace violence, including identification of factors  
14 leading to higher risk of violence to occur. Some notable risks were associated with employees  
15 dealing with the public and exchange of money with the public.

16 Field employees who carry money or collect money from customers have the potential to  
17 experience a hostile interaction leading to injury, or even worse, death. Field employees who are  
18 known to carry money in their vehicle are inherently at risk for being attacked and robbed as they  
19 travel their daily route.

20 **Q. Does eliminating the practice of face-to-face contact with the customer and/or and collecting**  
21 **payment at the premise at the disconnection visit reduce the risk of harm for employees,**  
22 **customers, and the general public?**

23 **A.** Yes. The Company is aware that stopping collecting payment and stopping knocking at the door  
24 during a disconnection visit will not remove all risk, but it is a pro-active approach towards  
25 minimizing the risk and providing a safer workplace. Injuries or death to employees should not

1 be an accepted cost of doing business, nor should it be the inevitable result of one's chosen  
2 occupation.

3 **Q. Are the Company's concerns limited to the risk of harm to the employees while at a**  
4 **customer's site during a disconnection?**

5 A. No. The Company has had experience with the field metering specialists being robbed. Not  
6 only is it a concern for the physical well-being of the employee, but potentially the public that  
7 maybe nearby at the time of an incident. Additionally, there is concern for the personal banking  
8 information on a customer's check that may be stolen and fraudulently used.

9 **Q. PacifiCorp operates as Pacific Power in Oregon, Washington, California, and as Rocky**  
10 **Mountain Power in Utah, Idaho, and Wyoming. Has PacifiCorp changed its field collection**  
11 **practices in any of its service territories as a result of safety concerns?**

12 A. Yes, the Company has stopped making personal contact and collecting payment in the field at the  
13 time of the disconnection visit in the states of Wyoming, Utah, California and Oregon. This was  
14 implemented in Utah in October 2012, followed by Wyoming, California and most recently  
15 implemented in Oregon in May 2014.

16 **Q. Did the Company conduct any surveys or poll other utilities regarding their collections**  
17 **practices?**

18 Prior to this change in practice the Company conducted an informal survey of utilities through  
19 members of the National Association of Credit Managers. PacifiCorp received many responses  
20 from various utilities across the United States and Canada. Based on the information gathered  
21 from the responses, more than half of the utilities did not knock on the door prior to disconnecting  
22 service and near 75 percent of the utilities did not collect payment. The results of this survey were  
23 provided as Attachment 1 to the Utilities' Petition for exemption to UCRR 311 (4) and (5).

1 **Payment Alternatives and Noticing**

2 **Q. You previously stated a customer making a payment at the site at the time of the**  
3 **disconnection is charged a \$20 fee. How does that compare with the costs of other payment**  
4 **alternative available to customers?**

5 A. Customers choosing to make their payment at the time of the disconnection are utilizing the most  
6 expensive method to pay their electric bill. The customer's cost for making payment other than at  
7 the time of the disconnection visit range from \$0 to \$1.95. If the customer waits until the field  
8 metering specialist is at their home to disconnect services the customer is charged a \$20 field  
9 service collection charge.

10 **Q. Without the option to pay a Company representative at the door, will customers be**  
11 **hampered in their ability to make payments on their account?**

12 A. No, not at all. Over the past decade, new payment methods have been made available to  
13 customers. In addition to the traditional methods of paying by check through the United  
14 States mail or at pay stations, the Company offers customers the option of automatic payment  
15 from their checking or savings accounts, pay online, and pay by phone. With these electronic  
16 payment methods, customers can quickly pay for utility service or remedy past due amounts and  
17 the customer's accounts are updated almost instantaneously. All of these options are either no- or  
18 low-cost to the customer and are utilized by 63 percent of our customers in our six states.

19 **Q. How many customers utilize the option to pay the field metering specialist at the time of the**  
20 **field visit?**

21 A. In 2013, 1051 payments were collected by field metering specialists in Idaho. Of these 1051  
22 payments, this represented a total of 516 distinct customers making payment. This is less than  
23 one percent of the total customer population in Idaho utilizing this payment option. Of those 516  
24 customers, 27 were known to be a certified as a low-income customer.

25

26



1 **Q. Would you please summarize the payment options available to all customers?**

2 A. Yes, the options are as follows:

- 3 · Automatic payments through the customer's bank – **no fee**
- 4 · Online payment through Company website – **no fee**
- 5 · U.S. Mail – **\$0.49 stamp**
- 6 · Pay stations - **\$1 fee** (pay stations will increase their fee to \$1.50 in 2015)
- 7 · Pay-by-telephone, **\$1.95 fee** (reduced from \$2.80 in September 2013)

8  
9 **Notification Prior to Disconnection**

10 **Q. If an exemption is granted, is there any concern that customers won't be provided with**  
11 **adequate notice of disconnection prior to the disconnection site visit?**

12 A. No. Disconnecting electric service for non-payment is always a utility's last resort. Rocky  
13 Mountain Power already provides customers with multiple notifications of account balances and  
14 potential disconnection of service. Specifically, the Company provides the following before a  
15 site visit to disconnect service:

- 16 1. Monthly bill (**mandatory**)
- 17 2. 7 Day Notice (past due notice) (**mandatory**)
- 18 3. 3 Day Notice (final written notice) (**courtesy**)
- 19 4. Outbound phone call (**mandatory**)
- 20 5. Door hanger at site 48 hours prior to date of disconnection (**courtesy**)

21  
22 As illustrated above, this billing and collection process provides customers with numerous  
23 notifications using various communication methods prior to the disconnection visit, giving ample  
24 time to arrange for a payment to be made prior to the Company visiting the site. Including the  
25 initial bill, the Company makes a minimum of five (5) notification attempts prior to disconnection  
26 for any billed charge.

27 **Company Experience and Communication**

28 **Q. How well did customers accept this change in practice in Utah, Wyoming, California, and**  
29 **Oregon?**

30 A. The Company has found, through first-hand experience in implementing this policy change in  
31 Utah, Wyoming, California, and Oregon, that customers accept the concerns the Company has for

1 safety of field personnel and have been very understanding of this policy change. To date, the  
2 Company has not received any escalated customer issues or commission complaints due to the  
3 change in business practice in these states.

4 **Q. How did the Company communicate this change in practice with its employees and**  
5 **customers prior to implementation?**

6 A. In preparation for the change in Wyoming, Utah, California and Oregon, the Company conducted  
7 a two-month communications campaign to inform customers with past due balances of this new  
8 practice. The Company included bill messages on bills with past due account balances, stapled 3”  
9 x 5” message cards (Exhibit 1) to any 48 hour courtesy door hanger and disconnection door  
10 hanger left at a site, and verbally delivered the message to any customer responding to a door  
11 knock during the two-month period of time as well as handed out the message card to those same  
12 customers. Additionally, call center representatives communicated the information to customers  
13 calling regarding past due balances.

14 Field metering specialists attended a special training session to inform the specialist of  
15 the change in practice, discussed why the Company was making the change, discussed the two-  
16 month communications campaign and their role in the campaign, and discussed possible ways in  
17 which to handle customer questions and concerns. As a follow-up to the training, metering  
18 managers road along with the specialists periodically during the two-month communications  
19 campaign to ensure the message was being delivered and understand first-hand how customers  
20 were receiving the message.

21 Since the implementation of this practice in Utah and Wyoming the field metering  
22 specialists assisted with the special training sessions in Oregon and California and advised their  
23 counterparts this has been a positive experience, that is safer not having money with them in the  
24 field and there are no more negotiations that escalate into negative interactions.

25 **Q. Can you summarize the reason the Company is requesting a waiver to Rule 311 (4) and (5)?**

1 A. The Company can no longer support business practices allowing for the risk of injury or death to  
2 an employee. For PacifiCorp safety and its responsibility to reduce the risk of harm to its  
3 employees is a top priority. One way to do that is to eliminate the requirement that an employee  
4 will be making personal contact on the date of disconnect and carrying customer payments.  
5 Removing the requirement to make personal contact on the date of disconnect and accept  
6 payment would reduce the risk of an employee becoming a target, eliminate the risk of  
7 customer's personal banking information being stolen and used fraudulently and eliminate the  
8 opportunity for theft of cash. Ensuring a safe working environment for employees is in the public  
9 interest and the Utilities' request is consistent with underlying rules and applicable statutes. Such  
10 an exemption would allow Rocky Mountain Power the ability to increase the safety of employees  
11 without sacrificing customer service.

12 **Q. Does this conclude your testimony?**

13 A. Yes.

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION**

**CASE NO. GNR-U-14-01**





**ROCKY MOUNTAIN POWER**

**COUGHLIN, DI  
TESTIMONY**

**EXHIBIT NO. 1**

## COMMUNICATION OF FIELD COLLECTION POLICY CHANGE USED IN UTAH

Utah Card – Side 1 English, Side 2 Spanish:

<p><b>To our valued customers:</b></p> <p>As of October 1, 2012 we are no longer able to collect customer payments when our employees come to your home or business. We have several payment options available once your account is past due:</p> <ul style="list-style-type: none"><li>• Pay online</li><li>• Pay by phone (fees apply)</li></ul> <p>If you need further arrangements or other payment options, please call our toll-free customer service number <b>1-888-221-7070</b>.</p> <p>This change was made for employee safety and security of customer payments. It also helps reduce costs for all our customers.</p> <p>We appreciate your patience and understanding. It's a pleasure to serve you.</p> <p> <b>ROCKY MOUNTAIN POWER</b> Let's turn the answers on.</p> <p></p> <p><small>© 2012 Rocky Mountain Power</small></p>	<p><b>A nuestros apreciados clientes:</b></p> <p>A partir del 1 de octubre de 2012, nuestros empleados ya no podrán aceptar los pagos directamente de los clientes nuestros cuando van a su casa o negocio. Tenemos varias opciones de pago disponibles una vez que se ha vencido el plazo de pago:</p> <ul style="list-style-type: none"><li>• Pago en línea por Internet</li><li>• Pago por teléfono (se aplican cargos)</li></ul> <p>Para realizar otros arreglos o para otras opciones de pago, por favor llame a nuestro número gratuito de servicio al cliente al <b>1-888-225-2611</b>.</p> <p>Este cambio es por razones de seguridad para nuestros empleados y para la seguridad de los pagos de nuestros clientes. También ayuda a reducir los costos para todos nuestros clientes.</p> <p>Apreciamos su paciencia y comprensión. Es un placer servirle.</p> <p> <b>ROCKY MOUNTAIN POWER</b> Hagamos brillar las soluciones.</p> <p></p> <p><small>© 2012 Rocky Mountain Power</small></p>
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