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IDAHO PUBLIC
UTILITIES COMMISSION

Commissioners Kjellander, Raper, and Anderson

July 7, 2020

The Idaho Conservation League (“ICL”) submits the following comments on the Joint Plan to Resume Normal Collection and Disconnection Activity by Large Idaho Utilities. For the reasons detailed below, ICL recommends the Commission reject this plan and instead issue an Order in GNR-U-20-03, directing the utilities to engage with customer stakeholders to devise a public plan that will account for the utilities concern about unpaid bills in a fair, equitable, and transparent way that acknowledges the unprecedented public health and economic circumstances in Idaho today.

Idaho has one of the fastest growing rates of new COVID cases in the United States. Between June 30, 2020 and July 7, 2020 Idaho added 1,993 COVID-19 cases with the total now surpassing 8,000 cases statewide.¹ On July 5, 2020 the Idaho Department of Labor reported new unemployment claims jumped 26% to about 5,500 an increase of about 1,100 new claims from the week before.² The data clearly establishes that Idaho’s public health and economic situation is worse than it was in March and will continue to decline over the next several weeks. Meanwhile, July and August, historically, are the hottest months of the year.

In response to this surge of new COVID cases and unemployment claims, Idaho’s large utilities, Avista, Idaho Power, Intermountain Gas, and Rocky Mountain Power (“Idaho Utilities”), in consultation with the PUC Staff, propose to resume normal collection practices and begin disconnections for unpaid bills. ICL strongly opposes this plan for three reasons and urges

¹ <https://www.idahostatesman.com/news/coronavirus/article244037217.html>

² <https://idahobusinessreview.com/2020/07/05/new-idaho-unemployment-claims-jump-26-to-5500/>

the Commission to acknowledge the unprecedented public health and economic crisis facing Idahoans and reject this inadequate plan.

First, ICL opposes this plan because the utilities developed it outside of the GNR-U-20-03 docket and without any public participation. ICL notes this item appears on the Commission's Decision Meeting Agenda as a "Matter in Progress" although this is the first public notice of this plan. According to the plan, the utilities, "[a]t the request of the Commission Staff . . . prepared a Joint Plan to outline proposed next steps under which the Idaho Utilities may resume collection and disconnection activities."³ However, the utilities filed this plan outside of any open Commission docket, including GNR-U-20-03 – a docket specifically opened to account for COVID related economic impacts, including collection and disconnection activities. ICL is a party to that docket but has never been notified by any utility or PUC Staff that some of the parties to that case had begun a process to determine when and how to restart disconnections. Further, ICL spoke directly with the Community Action Partnership Association of Idaho, who likewise reported that neither the Idaho Utilities nor the PUC Staff had communicated anything with regard to the Idaho Utilities resuming collections and disconnections, despite having worked closely with the Idaho Utilities and PUC Staff on disconnection issues for years. ICL recommends the Commission reject this plan on a procedural basis because it excluded public participation and input. Further, ICL recommends the Commission order the Idaho Utilities and PUC Staff to engage with customer representatives to develop a more equitable plan through the open docket GNR-U-20-03.

Second, based on the public health and economic data above, restarting collections and disconnects ignores the reality Idahoans are facing. Placing struggling Idahoans further into stressful situations and potentially disconnecting customers during the summer air conditioning season is callous and unwarranted. The expected long-term public health and economic impact of this global pandemic is why ICL recommended in GNR-U-20-03 that "the Commission Order in this case set forth clear guidelines for utilities to continue the current practice of suspending disconnections and waiving fees for a time period that is tied to the economic situation faced by Idahoans, and not choose some arbitrary date to end these compassionate practices."⁴ We

³ *Joint Plan to Resume Normal Collection and Disconnection Activity by Large Idaho Utilities*, filed as an attachment to a Decision Memo by Terri Carlock, (July 2, 2020).

⁴ ICL Comments at 2, GNR-U-20-03.

reiterate this recommendation because this type of Order would signal to utility investors that the Commission recognizes the financial impacts and will use its power appropriately to ensure supportive regulatory treatment. Instead of placing Idahoans who cannot pay their power bills under further financial strain, and potentially placing them at health risk, the utilities should continue to work through the existing case, GNR-U-20-03, to develop accounting methods and other ratemaking options that can address the financial impacts to the utilities that could arise from unpaid balances.

Third, the “plan” devised by the utilities and Staff is inadequate and vague which risks inconsistent application and resulting public confusion. The proposed plan relies on “enhanced communication effort to all customers in arears.”⁵ Upon further examination this “plan” is actually just a list of possibilities: “Potential avenues of communication are through website messaging, phone class, emails, social media, text messaging, post cards, letters, door knockers, reminder notices and final disconnection notices.”⁶ Merely listing various means of communication is not a plan by any stretch of that word. A plan typically begins with a goal, articulates a strategy and tactics to achieve that goal, allocates resources required for implementation, and defines metric for success. The Idaho Utilities also elude to “alternative payment arrangements” but do not provide any detail, and instead intend to have each utility “work with Consumer Affairs Staff to keep them apprised [.]”⁷ Again, general statements combined with an offer to inform regulators of what individual utilities may do is not a “plan”. ICL recommends the Commission reject this barebones statement of ideas and possibilities.

Given a reasonable opportunity to participate, ICL stands ready to consider novel methods “to recoup these costs while mitigating impacts to utility customers.”⁸ Unrecognized in the utility plan is the fact that these very large corporations have access to low-cost capital and financial tools that are simply unavailable to the individual customer. Further, these regulated utilities have a suite of state laws and regulatory tools that could be deployed in a manner that both reassures investors and respects struggling Idahoans. This May ICL submitted comments in GNR-U-20-03, which provided examples of these methods, such as using long amortization

⁵ *Joint Plan to Resume Normal Collection and Disconnection Activity by Large Idaho Utilities* at 2, filed as an attachment to a Decision Memo by Terri Carlock (July 2, 2020).

⁶ *Id.*

⁷ *Id.*

⁸ ICL Comments at 2, GNR-U-20-03.

periods for bad-debt expenses and tapping the utilities' access to extremely low-cost capital. However, at that time, the utilities indicated their financial standing was strong and discussions of specific recovery mechanisms could wait until later proceedings.⁹ You can imagine ICL's surprise when, now, less than 60 days after claiming that addressing unpaid bills is not an immediate concern and before the Commission has even ruled on the utilities' requests for accounting treatment for these expenses, we learn the utilities have developed a private plan, without any public participation or accountability, to resume collections and disconnection activities. ICL requests the Commission reject this private plan and, instead, issue an Order in GNR-U-20-03, directing the utilities to engage with customer stakeholders to devise a public plan that will account for the Idaho Utilities concerns about unpaid costs but will do so in a fair, equitable, and transparent way that acknowledges the unprecedented circumstances in Idaho today.

Respectfully submitted this 7th day of July 2020.

/s/ Benjamin Otto
Benjamin J Otto
Idaho Conservation League

⁹ Avista Reply Comments at 6, GNR-U-20-03; see also Rocky Mountain Power Reply Comment at 4, GNR-U-20-03.

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of July, 2020, I delivered true and correct copies of the foregoing COMMENT to the following persons via the method of service noted:

/s/ Benjamin J. Otto

Electronic mail only (See Order 34602)

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