

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the
Commission's Own Motion to Consider
Revising Energy Utility Tariff Rules Related
to Deposits and Adjusting Bills as They
Affect Small Business Customers.

Rulemaking 10-05-005
(Filed May 6, 2010)

OPENING COMMENTS OF PACIFICORP (U-901-E)

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Date: June 14, 2010

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I. INTRODUCTION

Pursuant to the Order Instituting Rulemaking on the Commission's Own Motion to Consider Revising Energy Utility Tariff Rules Related to Deposits and Adjusting Bills as They Affect Small Business Customers (OIR) issued May 6, 2010, PacifiCorp, d.b.a. Pacific Power (PacifiCorp or Company), submits these opening comments.

The California Public Utilities Commission (Commission) initiated this rulemaking to review whether small business customers, as defined in California Government Code Section 14837 under the definition of "micro-business,"¹ should be treated the same as residential customers for certain deposit and billing purposes. Through the OIR, the Commission will also review whether tariff revisions are necessary to accommodate the conclusions reached regarding whether "micro-business" customers should be treated the same as residential customers.

¹ A "micro-business" is a small business which, together with affiliates, has average annual gross receipts of two million seven hundred and fifty thousand dollars (\$2,750,000) or less over the previous three years, or is a manufacturer, as defined in Cal. Gov. Code §14837(c), with 25 or fewer employees. Cal. Gov. Code §14837(d)(2).

The OIR originally set June 7, 2010 as the deadline for filing opening comments. A letter ruling issued May 27, 2010 by Commission Executive Director Clanon moved the deadline for filing opening comments to June 14, 2010.

II. DISCUSSION

PacifiCorp is a multi-jurisdictional utility providing electric retail service to customers in California, Idaho, Oregon, Utah, Washington, and Wyoming. PacifiCorp serves approximately 46,500 customers in Del Norte, Modoc, Shasta, and Siskiyou counties in northern California. The Company's California service territory represents less than two percent of PacifiCorp's total retail electric load.

The Company has tariff rules in place that address deposits, billing adjustments and meter testing. Pacific Power Rule No. 7 governs deposits for all customers.² Pacific Power Rule No. 9 governs billing and billing adjustments for all customers.³ Pacific Power Rule No. 17 governs metering for all customers.⁴

The Company does not philosophically object to the idea of having certain small business customers, "micro-businesses," fall under the same billing adjustment and deposit rules as residential customers. However, the Company has significant concerns and questions regarding the implementation and administration of the proposed rules. These comments set forth these concerns and questions for the Commission's consideration.

²http://www.pacificpower.net/content/dam/pacific_power/doc/About_Us/Rates_Regulation/California/Approved_Tariffs/Rules/Deposits.pdf.

³http://www.pacificpower.net/content/dam/pacific_power/doc/About_Us/Rates_Regulation/California/Approved_Tariffs/Rules/Rendering_and_Payment_of_Bills.pdf.

⁴http://www.pacificpower.net/content/dam/pacific_power/doc/About_Us/Rates_Regulation/California/Approved_Tariffs/Rules/Meter_Tests_and_Adjustment_of_Bills_for_Meter_Error.pdf.

Definition of “Micro-business”

In the OIR, the Commission used the definition of micro-business as set-forth in the California Government Code, which is “a small business that, together with affiliates, has average annual gross receipts of two million seven hundred and fifty thousand dollars (\$2,750,000) or less over the previous three years, or is a manufacturer, as defined in subdivision (c), with 25 or fewer employees.” Creating a new class of customers using such a definition would pose operational and technical challenges to the Company. PacifiCorp does not currently capture information related to revenue or employees for business customers. Also, the Company’s billing system is not programmed to capture this type of information. Additionally, requesting sensitive financial and/or employment information to verify whether a customer or applicant would meet the qualification as a “micro-business” could strain relationships with customers or applicants. If PacifiCorp is put in the position of asking for this qualifying information, the Company would, at a minimum, anticipate adding administrative tasks such as collecting, verifying and updating the information, and would incur costs associated with updating its billing system to recognize a new class of customer. The Company could also be required to monitor customer accounts to ensure that “micro-business” customers continue to qualify as such. This would be burdensome and expensive. The OIR does not define a clear customer benefit to justify this expense.

The Company encourages the Commission to consider other criteria for identifying “micro-businesses”. Perhaps identifying “micro-business” customers by their usage or other means already captured by the utilities would better accommodate any changes resulting from this OIR.

Bill Payment Arrangements

PacifiCorp currently works with customers of all classes and sizes to make payment arrangements for customers that are experiencing difficulty paying their bills. The suggested change that would require utilities to pro-actively identify and track micro-business customers would not change that approach.

Additional Issues to Consider

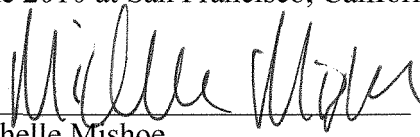
PacifiCorp encourages the Commission to consider, at a minimum, the following issues during the course of this rulemaking:

- What information should the utility collect to confirm a customer or applicant qualifies as “micro-business”?
- What happens when the business changes and no longer qualifies as a “micro-business”? Would the utility be required to verify the status of “micro-business” customers on a regular basis, e.g. annually?
- Would using other criteria for defining “micro-businesses” accomplish the intent of the rulemaking? Perhaps using usage criteria, or something already tracked by utilities?

III. CONCLUSION

PacifiCorp appreciates the opportunity to participate and offer comments in this rulemaking.

Respectfully submitted this 14th day of June 2010 at San Francisco, California.

By 
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Certificate of Service

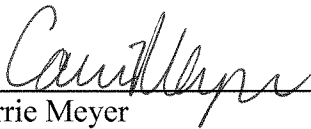
I hereby certify that, pursuant to the Commission's Rules of Practice and Procedure, I have provided via electronic mail or US Mail if an E-mail address has not been provided, a true and correct copy of the **PacifiCorp's (U 901-E) Opening Comments** to the following parties:

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DATED: June 14, 2010, at Portland, Oregon



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