

Welcome

**National Agency of the Republic of Kyrgyzstan for the Anti-Monopoly
Policy and Development of Competition (NAAPDC)**

Washington Utilities and Transportation Commission (WUTC)

October 16-17, 2006

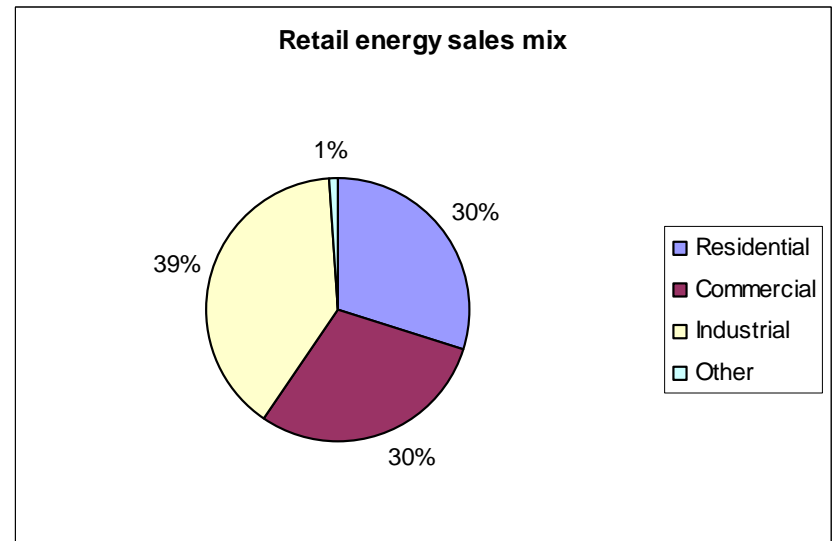
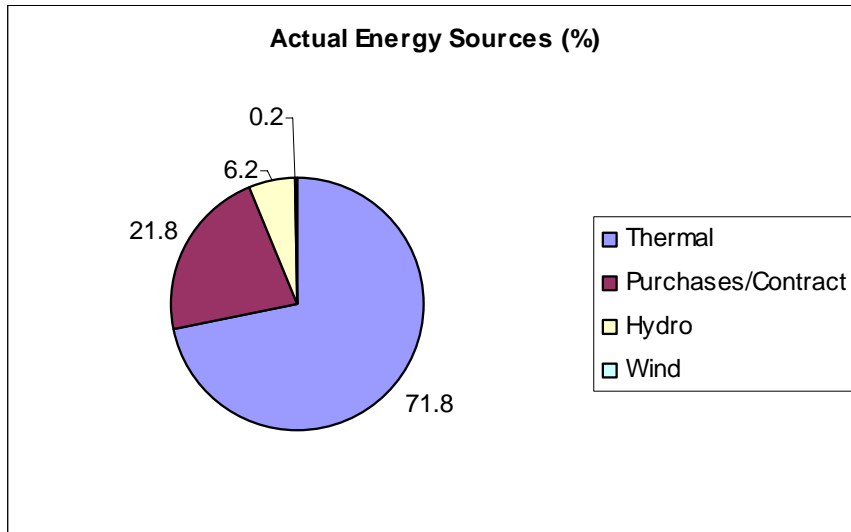
PacifiCorp Facts

- PacifiCorp, headquartered in Portland, Oregon, is comprised of three business units
 - ▶ **Pacific Power**, headquartered in Portland, Oregon
 - delivers electricity to customers in Oregon, Washington and California
 - ▶ **Rocky Mountain Power**, headquartered in Salt Lake City, Utah
 - delivers electricity to customers in Utah, Wyoming and Idaho
 - ▶ **PacifiCorp Energy**, headquartered in Salt Lake City, Utah
 - electric generation, commercial and energy trading functions and coal-mining operations
- 6,750 employees serving more than 1.6 million customers
- Generating plants have net capability of 8,470 megawatts
- Committed to renewable generation of power

PacifiCorp Facts

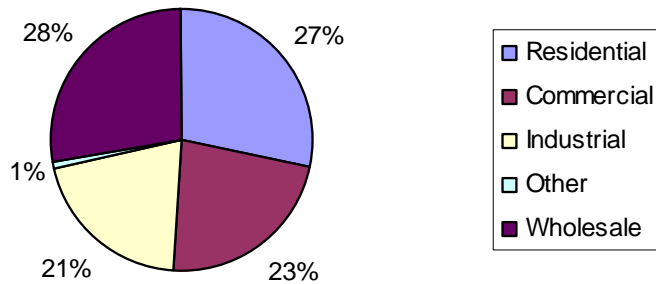
- 15,580 miles of transmission line
- 59,510 miles of distribution line
- 908 substations
- 69 generating plants
across the west

PacifiCorp Facts

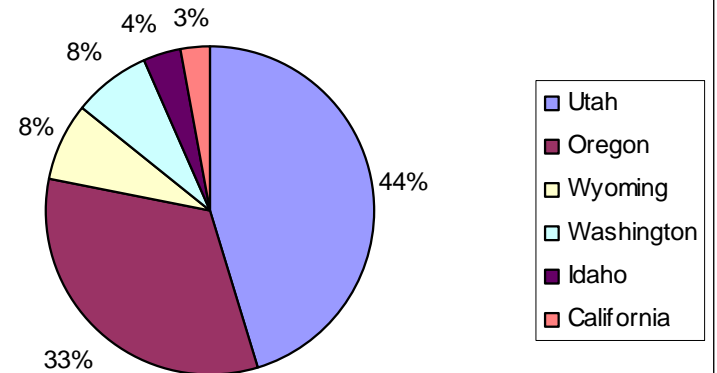


PacifiCorp Facts

Customer Revenue Mix



Customer by State



Our focus

In addition to providing power, the company values:

- Participation in local communities – corporate and employee volunteer activities
- Safety for our customers and employees
- Environmental initiatives
- Energy efficiency
- Education

Customer Commitments

- 24-hour customer service
- Designated phone number for outages

NAAPDC and Washington Utilities and Transportation Commission



Customer Collections and Programs

Carole Rockney
Director, Customer and
Regulatory Liaison

October 16, 2006

Regulatory Tools Encourage Payment for Service

- Payment Plans
- Disconnection of Service
- Refusal of Service
- Low-income Assistance

Payment Plans

– Equal Payment Plan

- ▶ Divides estimated future bills into 12 equal amounts. Only available for accounts that are up to date on payment of their electric bill

– Equal Time Payment Plan

- ▶ Divides past-due amount by 12 and adds that amount to the customer's averaged monthly bill

– Time Payment Plan

- ▶ Divides past-due amount for a number of months negotiated with the customer, up to 12 months, and adds that amount to current bill

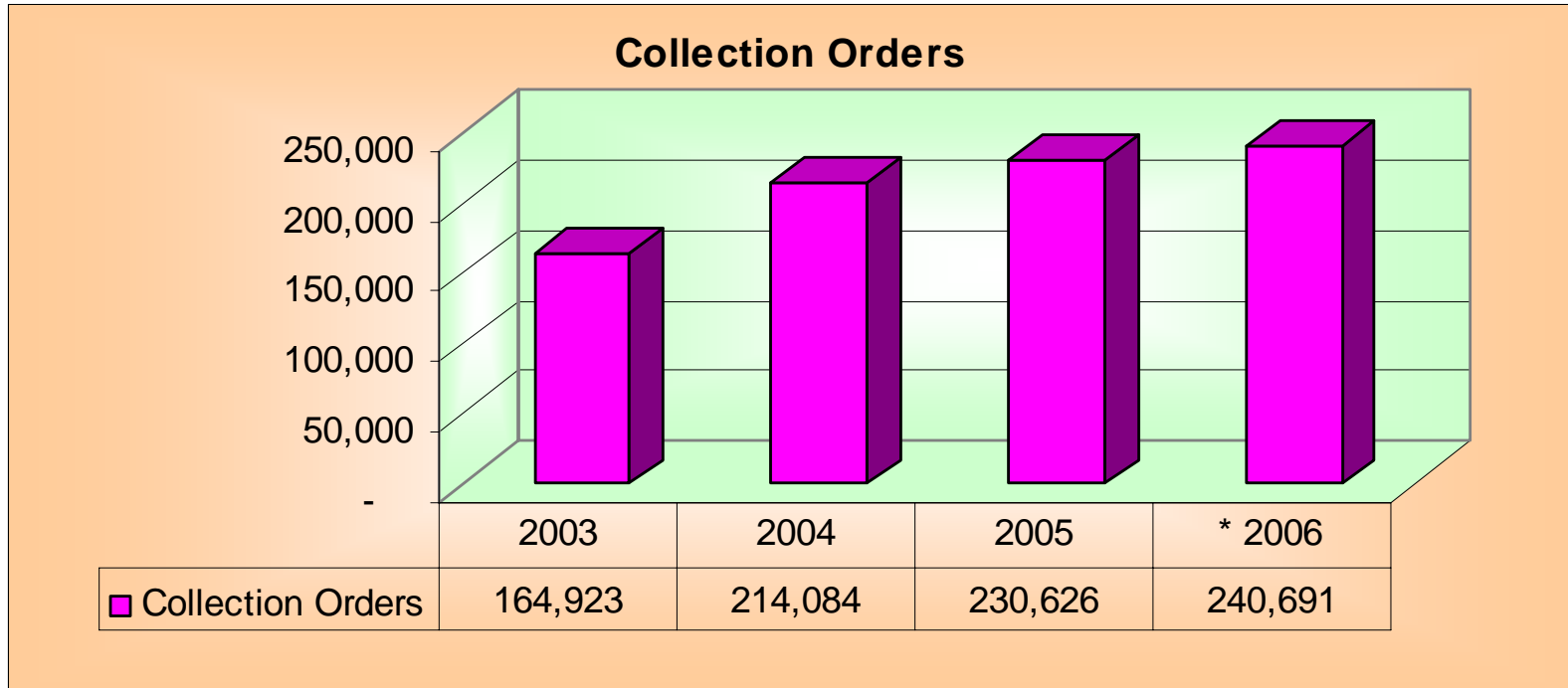
Disconnection of Service

- Disconnection of service is the next step when customers do not keep payment plans or choose not to make payment plan
- Required to notify customer prior to any disconnection
 - ▶ Late notice sent about 15 days after bill due date
 - ▶ Final notice of disconnection sent 5 days prior to disconnection
- No disconnection for nonpayment on weekends, legal holidays and, in most states, on Fridays

Disconnection of Service Procedures

- Field collectors make personal visits to collect past due bills or disconnect service
- Field collectors’ goal is to either collect for past service or disconnect service for at least 85% of the collection orders issued
- Collection orders are prioritized so that “at risk” accounts are worked first
- Each day’s work for field collectors is electronically assigned and tracked
 - ▶ If customer is eligible for a time payment plan, the collector will collect the amount required and establish the plan in the field and report back

Collection Orders – Total Company



* 2006 data: January through August actual (155,498),
September through December projected (85,193)

Refusal of Service

- In most states, the company may refuse to provide service until full payment for overdue charges is received
- The utility is allowed to refuse service when fraud or theft of service has occurred

Low-Income Assistance

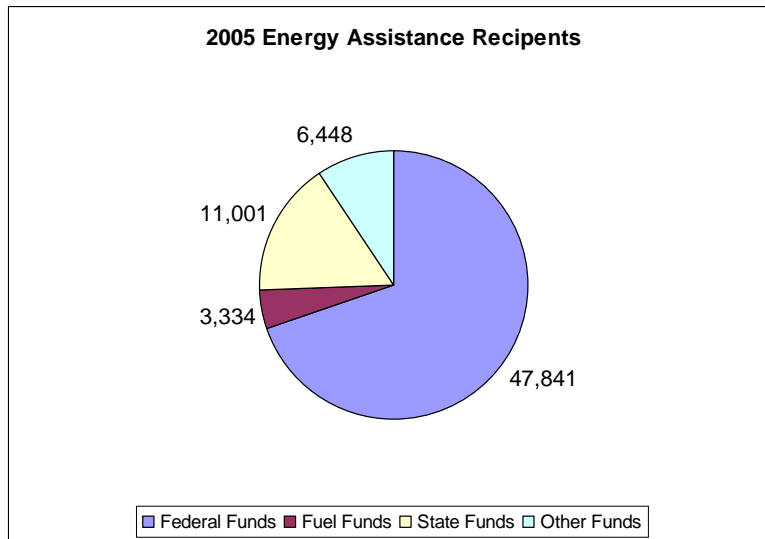
- Several programs are in place to reduce kWh usage, decrease the cost of energy to income eligible households and provide emergency assistance to customers in need including:
 - ▶ Bill discounts
 - ▶ Energy assistance
 - ▶ Weatherization services

Low-Income Bill Discounts

- PacifiCorp offers low-income bill discounts in three states:
 - ▶ Washington low-income households receive a credit against their bill up to 3.5 cents per kWh on monthly usage over 600 kWh during the winter (November through April)
 - ▶ Utah low-income customers receive an \$8/monthly discount
 - ▶ Utah low-income customers on life support equipment receive an additional discount of \$10 per month
 - ▶ California low-income customers receive a 20% discount
- Costs for low-income bill discounts are paid through a surcharge on customer bills

Energy Assistance Programs

- Low-income assistance is provided by federal programs with funding released by congress to each state
- Assistance monies are available each fall until they are depleted
- In 2005, PacifiCorp customers received \$9.3 million in federal energy assistance



Energy Assistance Programs

- Non-government energy assistance is also available
- PacifiCorp partners with fuel funds in all states to provide donated funds to households in need
- PacifiCorp matches customer donations through shareholder funds
- Non-profit agencies allocate the funds to households in need
- In 2005, PacifiCorp customers donated over \$325,000 to these funds

Weatherization Services

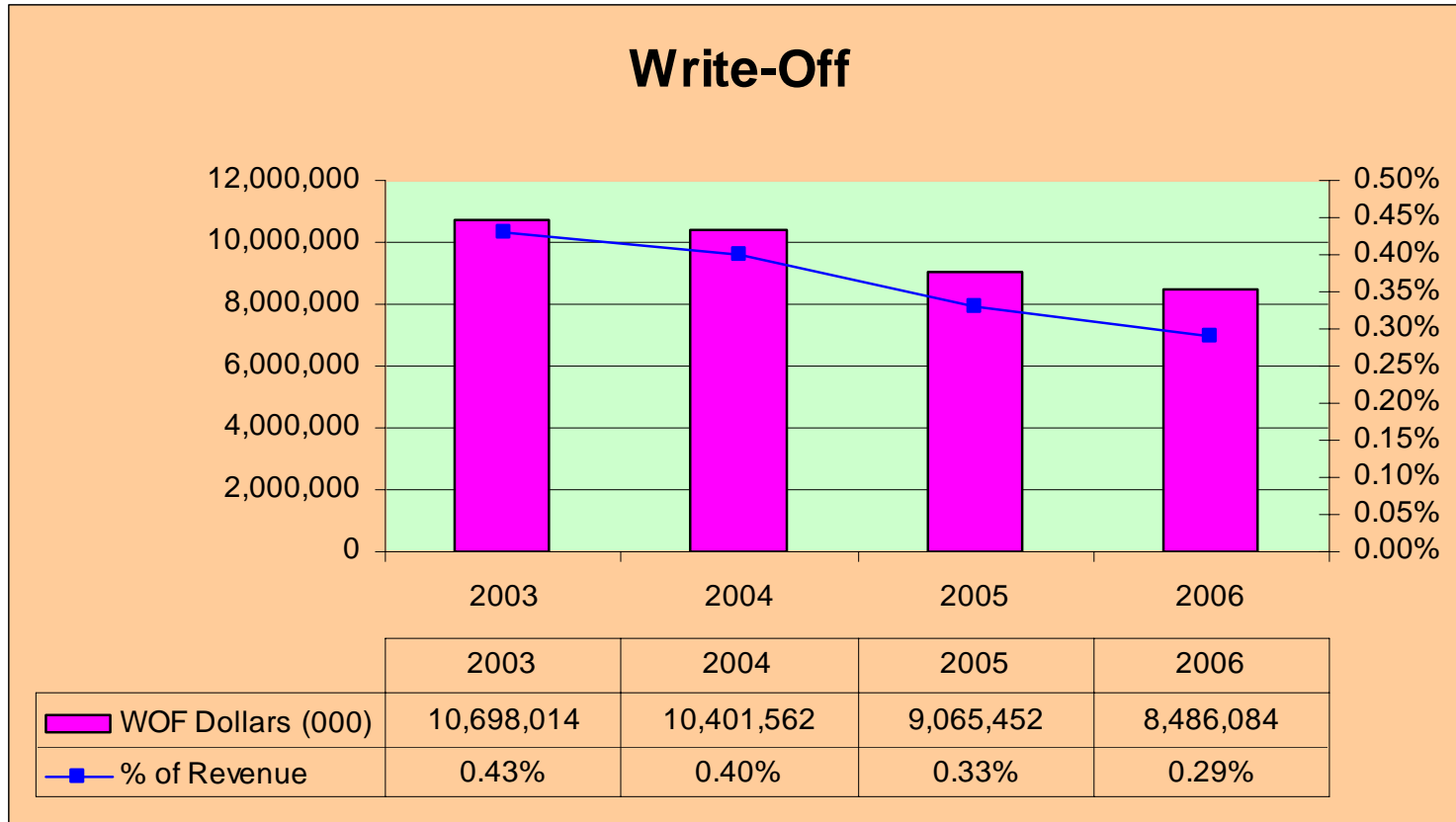
- In Washington, California, Idaho and Utah, PacifiCorp partners with local agencies to provide rebates for the installation of approved conservation measures
- Over 16,000 homes have been weatherized since the mid-1980s
- In Oregon, funds for weatherization services are collected through a surcharge as required by legislation



Collecting Unpaid Balances

- In house collections
 - ▶ Noticing and payment plans, as described earlier, are provided to customers who are behind on payments
- Collection agencies
 - ▶ Private collection agencies are assigned accounts to collect monies after the closing bill due date
- Write off balances
 - ▶ Balances are written off 180 days from the closing date if no payment is made

Write-Offs – Total Company



* 2006 is actual January 2006 through September 2006 and then annualized to end of year.

Overview of PacifiCorp Billing System

- Billing system supports call center operations for all billing and collection activities
- Billing system captures meter usage information to:
 - ▶ Generate monthly bill statements for 1.6 million customers
 - ▶ Collect annual revenue of \$2.8 billion

Overview of PacifiCorp Billing System

- Billing system developed within the company
- System development and design spanned a 6-year period
- Billing system was implemented in 1996
- Changes to billing system implemented periodically through scheduled programming updates

PacifiCorp Billing System Computer Design Architecture

Billing system information is stored in a DB2 relational database

- Billing system data model contains approximately 400 entities and 5,000 attributes
 - ▶ An entity is anything about which information can be stored; for example, a person, concept, physical object or event
 - ▶ An attribute is a single piece of information
- Billing system comprised of approximately 380 individual screen options which support approximately 200 different business tasks
- COBOL is the programming language used to design and modify billing system batch reports

PacifiCorp Billing System Major Design Components

Billing system is made up of the following major components:

- The customer record - information on the customer such as name, phone numbers and personal identification
- The account - consists of one or more agreements grouped together for purposes of billing and collecting
- The agreement – used to link the price a customer will pay for a service the company is providing (e.g., residential electric service)
- The service – identifies the product available for purchase (e.g., metered electric service)
- The site – the physical address where products or services are delivered

Closing

- Questions
- Closing Comments

