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Judith Whitney, Clerk
Vermont Public Utility Commission
112 State Street
Montpelier, Vermont 05620

Re: Workshop to Discuss Issues Related to PUC Rule 3.300 -- Disconnection of Residential Electric, Gas, and Water Service (Case 17-4999-INV)
Green Mountain Power Comments

Dear Mrs. Whitney:

Green Mountain Power ("GMP") welcomes the Public Utility Commission ("Commission" or "PUC")'s request for information and comment concerning disconnection. We share the goal of providing important protections for vulnerable customers, at the same time ensuring all customers are treated fairly. We believe the vast majority of customers value the service we provide and make sincere efforts to pay their bills on time, and if late, to catch up quickly.

We also believe there are some protections built into the existing rules, including physician notes, winter rules, notification rules, and even the ability to close an account and open a new one at the same location, can lead to unintended consequences. Well-intentioned rules can allow customer balances to grow well beyond the customers' reach, creating debt that is virtually impossible to pay. We would like to see changes that support all customers and provide clear guidelines for utilities. We also believe that current rules, many of which were created in the absence of current technologies, should be updated in light of the benefits and savings technology would bring. The following are our responses to each of the areas mentioned in the Commission's November 22 Memo:

Q. Comments on whether the Commission should expressly enable utilities to remotely disconnect customers, and, if so, in what circumstances and subject to what notice, standards, and procedures.

A: If a smart meter exists, the utility should be permitted to remotely disconnect customers who have received advance notification of disconnection as provided for in the current Rules, with the exception of the in-person notice requirement. GMP would like to see the requirement for in-person notification or leaving of a notice of disconnection eliminated. With the advent of technology, including the smart meter, disconnection can occur without making a personal visit to the premises. Requiring a personal notice to a customer who has already received advance notice of disconnection is burdensome and costly to the utility, particularly where disconnection can be accomplished without visiting the premises. Should the in-person notice requirement continue, GMP submits that the utility should be exempt from compliance where the utility has reasonable belief that an in-person notice would pose a risk of harm to utility employees or others, and that in those cases, the utility would notify the Department in writing that personal notification was not made, and under what circumstances.

Q. Comments on the use of physician's certificates by customers to prevent disconnection; and the consideration of appropriate standards and processes the Commission should use in its own determinations under the Rule.

A. GMP would propose that the use of a physician certificate be limited to two 30-day periods in a single calendar year, as opposed to three, and that Commission approval would be required for use of additional certificates. In addition, customers who avoid disconnection or cause reconnection using a physician's certificate, should be required to make payment on the account during the period of time covered by the physician's certificate, paying at least one half of the balance on account by the time the physician's certificate expires, otherwise, the utility should be entitled to disconnect service without further notice, on the day following expiration of the certificate. Tightening the rules around the use of a physician's certificate will encourage the customer to work with the utility to make payment arrangements or to explore other avenues of payment, such as GMP's low-income program, and lessen the scenario where the customer avoids payment on account for extended periods of time, eventually making it impossible for the customer to pay the resulting arrearage.

Factors the Commission might consider when reviewing requests for approval of additional physician certificates could include the customer's last payment date and amount, the number of payments in the last year, payment arrangement history, other assistance available/received, low income program eligibility, payments made during pendency of most recent physician certificates, and whether the customer has a back-up power source.

Q. Comments on the actual practices of utilities, depending on the circumstances, in accepting payments to prevent disconnection of customers, in amounts that are less than the delinquency amount shown on the disconnection notice.

A. GMP's practice is to start by trying to collect the entire past due balance, and if that is not possible, to work with the customer to collect half of the past due balance and develop a payment arrangement. Customer service representatives do have the ability to negotiate other arrangements based on the customers' payment history and the individual situation. When a customer fails to honor a payment arrangement, GMP waits for the next disconnection notice to go out, and the disconnection process begins again. To incent the customer to adhere to a payment plan, and avoid situations where the customer uses this as an opportunity to prolong the disconnection process without making an effort to pay, a customer that breaks a payment arrangement could be required to provide to the utility the minimum required deposit, payable in three monthly installments. GMP suggests that the number and length of payment arrangements a utility is required to offer and agree to within a single calendar year could be limited. Additional opportunities for changes in the current Rules might also include a provision that allows the utility to disconnect on the following business day where a customer enters into a payment arrangement that allows payment outside the disconnection window and fails to tender payment or the payment is dishonored. This change would help to avoid the requirement to observe the disconnection notice requirements for additional periods of time where a customer does not make payment as promised.

Q. Comments on the actual practices of utilities with respect to the disconnection of customers for nonpayment during the period from November 1 to March 31.

A. GMP's winter disconnection experience in the past two years averages approximately 539 customers annually. GMP follows "Winter Rules" as written. Once a customer is 35 days overdue, we mail a notice to the customer and we attempt to contact the customer by telephone before the 1st disconnect date to resolve arrears, offer payment plans, and provide the required list of contacts as set out in PUC Rule 3.303(G)[1] referred to by GMP as successful credit contacts ("SCC"). Forty eight hours before disconnection, GMP delivers a written notice to the customer. At the same time, we continue to make attempts at collection, and take steps to ensure the customer has the SCCs. Where we are unable to collect on account or enter into a payment arrangement, disconnection is completed on the next appropriate day, observing weather temperature forecast requirements in the Rule. Opportunities for changes in the Winter Rules might include the removal of the requirement to leave a written notice with the customer, where the customer has already received written and verbal notice. Another consideration would be removal or modification of the SCC requirement, perhaps including an SCC notice on our bills each month to avoid this additional requirement. While GMP would like to see the in-person notice requirement removed, we do recognize that it is important to work with customers to avoid disconnection in the winter and that sometimes showing up and having a discussion gives the customer the nudge they need to seek assistance. With that said, there are some customers that are aware they can avoid disconnection in the winter by not answering the door or telephone. Should the in-person notice requirement stand, perhaps this requirement could be removed where 2 months of attempted phone contact have occurred and a notice is conspicuously left at the premises.

Q. Comments on the early identification by utilities of high-usage residential customers participating in low-income energy assistance programs so that such customers may be targeted for energy efficiency services.

[1] If disconnection is to occur between November I and March 31, inclusive, a list as annually compiled and distributed by the Department of Public Service, of the names, addresses and telephone numbers of governmental and private agencies which may provide assistance to ratepayers in paying their utility bills

A. GMP supports identification of GMP Energy Assistance Program (EAP) participants to be targeted for energy efficiency services, and we consistently refer customers with high bills/usage to Efficiency Vermont for assistance. Examination of ways to address and provide efficiency measures where the customer and the property owner are not the same person may be helpful and could add value.

Q. In its review of monthly utility disconnection reports, the Commission notes a significant percentage of utility customers (for financial or other reasons) pay their utility bills only after the receipt of a disconnection notice; the Commission seeks further information, comments and proposals concerning this practice.

A. Accounts that are over due by 35 days receive a past due notice. A lot of customer use the past due notice as the “bill reminder to pay.” Working these notices, making phone calls, and property visits are costly to GMP’s ratepayers. GMP is considering a few options that would reduce costs and frustration for customers, including not sending disconnection notices to those customers who historically pay before the first day in the disconnection window and have never been disconnected for nonpayment. Another thought includes not sending disconnection notices for balances of less than $100.00.

An additional area that may be looked at in the workshop process is the requirement to offer a budget plan. GMP has observed that budget plan offerings don’t work well for everyone. We suggest this may be an opportunity to examine removing this as a prerequisite to disconnection.

Thank you for the opportunity to comment in this proceeding. We look forward to the upcoming workshop.

Sincerely,

Mary Morris

cc: ePUC Service List