STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 17-4999-INV

Investigation into PUC Rule 3.300, Disconnection of Residential Electric, Gas, and Water Service	

GREEN MOUNTAIN POWER COMMENTS ON THE DEPARTMENT OF PUBLIC SERVICE'S PROPOSED RULE REVISIONS TO RULE 3.300 -- DISCONNECTION

Green Mountain Power appreciates the opportunity to provide comments regarding the Department of Public Service's ("Department") proposed revisions to Rule 3.300. Particularly at this time of continued economic disruption and hardship for many customers, GMP is focused on how Rule 3.300 can work more smoothly and provide protections for customers facing financial hardship and unable to pay their bills. Overall, while GMP does not oppose several of the changes suggested by the Department, GMP believes that the Department's approach in many instances will drive up complexity and costs without meaningfully adding to the protections customers with delinquencies deserve.

GMP comments below only on the specific subsections of the Department's proposed Rule revisions that GMP either opposes or believes should be materially modified for the benefit of customers. GMP sets forth the Department's proposal in *italics*, utilizing ~~*strikeout*~~ for Department proposals GMP believes should be rejected and utilizing **bold** text for language that GMP recommends adding.

3.302 Definitions

(17) *Transmit – the act of the utility to convey any document, bill, or notice to a customer. Transmittal may be accomplished through verifiable means such as postal mail, in-person visits, or electronic transfer**, which may include email, text message, app click through, and other routine electronic message platforms.***

GMP COMMENT: GMP suggests the definition for electronic transfer specifically include email, text, app, and similar platforms to meet customer's evolving expectations for communication.

3.304 Customer Privacy

~~*Utilities will accept oral or written consent from a customer working with an area social service agency or community action non-profit for the agency to discuss the application of payment from a charitable or governmental source to that customer's account.*~~

GMP COMMENT: GMP recommends striking this portion of the Department's proposed Rule revision. The situation referenced occurs in a context that is meant to be helpful to customers; the revision may simply delay relief. In our experience, in most situations, a customer is meeting face to face with a staff member of these agencies when a call to GMP is placed, so it will be easy in those circumstances to obtain consent from the customer. However, there are times when agencies and other non-profit organizations call on behalf of a customer who may not be present at the time of the call. Requiring express oral or written consent as proposed to even discuss application of a payment to a customer account may delay customer receipt of a benefit or even fail to stop a disconnection. GMP also believes the concern meant to be addressed by the suggested revision is misplaced; if an agency or other organization is making a call on a customer's behalf to pay a portion of their bill, it should be implied the customer has given consent to discuss the account.

3.305 Application for Service

~~*3. Service in another's name. A utility may not require a residential prospective customer to pay for prior service provided in another's name except when a court or the Public Utility Commission has determined that the applicant is legally obligated for that debt.*~~

GMP COMMENT: This proposal appears to replace the "Household Rule" section in the current Rule 3.300. That current Rule states that "[a] company shall not disconnect or refuse service to a customer due to a delinquent bill owed by another person unless a person owing a delinquent bill, resulting from service to that household, resides in the same household." The Rule has functioned well and there is no justification, in GMP's view, to replace it with the Department's proposal which will simply serve to drive up administrative costs and utility bad debt, ultimately paid for by other customers. There are many instances where a household of multiple individuals has one account holder. If the account holder incurs debt and does not pay, and another household member takes over service, there is no reason why the debt on the account should not continue without need for court or a formal PUC process. Not having the ability to keep this debt on the account when the household member transfers it will increase the chance of never collecting the debt, writing it off and having other customers pay for this debt. GMP requests that the Commission keep the current Household Rule. In the event the Commission adopts the Department's recommendation, GMP suggests adding: "**Delinquent**

balances incurred by another resident while that individual was a member of that household may be transferred to the current customer account."

*4. Explanation of charges: Upon receipt of an application for service, a utility must provide **on its website or through a** written **or electronic communication to customers an** explanation of fees or charges assessed by the company, an explanation listing all rates available to the customer, and any technical terms used in the utility's bills.*

GMP COMMENT: While the spirit of the Department's revision – to educate customers about charges and rates – is something GMP strongly supports, the specific revision suggested by the Department will drive up customer costs and create confusion without any clear additional benefit. Currently, GMP provides rate information on our website. See https://greenmountainpower.com/rates/. In addition, charges and service options are reviewed currently by a Customer Service Representative at the time customers start service, or at any time thereafter if the customer contacts us. We have worked hard over the recent years to expand our means of communicating with customers about rates and service options, and now have social media, text, email, and bill messaging, and our website. In addition, GMP notifies customers through bill messages each time our charges or rates change. The Department's proposal will require thousands of new mailings, at substantial cost, plus likely follow-up from customers wondering why they are receiving it, creating confusion. GMP recommends clarifying the revision to include the website and direct electronic communication with customers, rather than requiring written mailing.

3.306 Deposits

1. a. Deposits for service to residences and small non-residential customers are ~~only~~ permissible when the applicant or existing customer presents justifiable a [sic] credit risk ***including through lack of creditworthiness or is a returning customer who had an unpaid final balance from prior service****.*

GMP COMMENT: GMP suggests substantially modifying the Department's proposed revision to include the language in **bold**. Presently, for returning customers, GMP requires a deposit when that customer has an unpaid final bill from prior service. This is an important and reasonable requirement that protects other customers from bad debt. In addition, the revision should be modified as noted to prevent a conflict with subsection c., as noted below.

c. A deposit may be required unless an applicant establishes creditworthiness. Applicants can prove their creditworthiness, ***provided to the utility within 14 days after establishing service,*** *with:*

:

iii. A written statement from a credit worthy entity ***such as a bank's letter of credit*** *or* ***from a*** *person guaranteeing payment on the customer's account****,***

GMP COMMENT: The Department's revision to subsection c. is potentially confusing and in conflict with subsection a. above. The Department's revision, unless modified, would not appear to apply only to initial deposits meant to help ensure final bills are paid. GMP suggests the modifications above, which comport with GMP practice. Also, requiring customers to send in proof of creditworthiness within 14 days will ensure it is received within a billing cycle, thereby cutting down on both administrative costs and potential errors when GMP has to modify customer account information after receiving such proof later, after billing has occurred.

3.307 Billing

~~2. Due date of Bills – the due date of a bill must be at least 30 days after a bill is transmitted to a customer~~.

GMP COMMENT: GMP's Statement of General Terms and Conditions states: "[b]ills are rendered after each meter reading, monthly or bi-monthly at the option of the company, and are due when presented unless other terms are provided for in the specific rate on which service is rendered unless the Company and Customer have entered into a repayment agreement to address a delinquency and that agreement specifies an alternative payment schedule." There is no reason to vary Rule 3.300 from the filed and established tariff applicable to all customers. Changing all bills to be due at least 30 days after the transmittal date will create significant programming challenges and costs. It will also affect our monthly billing and collections schedules and resource planning. Given the many protections in place prior to any disconnect, GMP does not see any customer benefit to requiring all utilities to implement the change suggested by the Department.

4. Bill transmittal: Bills may be transmitted to customers via any means available to the utility and agreed upon by the customer. Bills are presumed to be sent by US first class mail unless the utility has ~~expressly~~ obtained written ***or verbal*** *consent of the customer* ***(through direct verbal communication, email, text, or other electronic or paper method)*** *to use other means to transmit bills*

GMP COMMENT: Currently GMP asks new and existing customers if they want to receive their bills via email or "ebill" with almost every customer call. Our calls are recorded; therefore, we can attest to verbal consent if needed. Customers can opt out at any time – and can opt in at any time on our website at their convenience. This is an important GMP initiative to increase customer convenience, cut carbon from reduced printing and mailing, and decrease costs paid by all customers to mail paper bills. The Rule revision should not hamper these efforts, particularly given the lack of any demonstrated concern by customers regarding the current approach and the ease with which customers can opt to switch back to mailed bills if they initially choose electronic billing.

~~7. A utility must request updated or current contact information, including phone numbers, from its customers at least once annually~~

GMP COMMENT: GMP does not understand what concern has prompted the Department to suggest this revision to the Rule. This would be an expensive undertaking – especially if required to actually attempt any follow-up for what likely would be a significant number of non-responding customers – and would seem out of step with how customers typically communicate with service providers. GMP has not felt that it lacks up-to-date customer information in any way that would suggest it is necessary to institute a blanket annual process. GMP is able to reach out individually through mail and other contact means to update information in instances where needed, and customers also have multiple ways to contact GMP when needed.

3.308 Payments

~~*1. Payment standards*~~
~~*a. Bills must only become due on business days*~~

GMP COMMENT: GMP asks that this revision be rejected, or at a minimum the Department be required to explain why this change in needed, given the many other protections in place regarding delinquent payments. Our current billing system does not "pick" a specific day of the week for bills to be due. We are concerned that this requirement would require a big lift for programming, and we would also have to investigate what other systems it could affect.

3.309 Transfer of Service and Collection of Unpaid Account Balances

GMP GENERAL COMMENT: GMP requests clarification of the intent and meaning of the Department's suggested revisions in this section. It appears to replace the Household Rule; however, the Department's proposal refers only to the disconnection notice process. See GMP Comment to Rule 3.305 above.

3.310 Payment Arrangements for Arrearages

~~*5. Written confirmation: A utility must transmit written confirmation of a debt payment arrangement within one week after it is established.*~~ *…*

GMP COMMENT: While we agree good communication with customers regarding payment arrangements is an important goal, the Department's suggested revision is overly restrictive and unnecessary. Customers establish payment arrangements with GMP for past due bills many ways: with a customer service representative; over the phone using our Interactive Voice Recognition; and for residential customers on our website in the customer self-service section. GMP then provides on every monthly bill the details of the customer's payment arrangement in writing. In our experience, customers appreciate establishing payment plans. Setting an express one-week deadline to "transmit written confirmation" of an arrangement will take programming time and resources and will increase costs. GMP has found its current system, with multiple options for customers and routine payment arrangement disclosures on bills, to be effective, efficient and clear to customers.

3.311 Payment Arrangement to Forestall Disconnection or Restore Service

*~~A utility must stop any planned disconnection or restore service if the customer~~ **~~1)~~** ~~pays one-half of the delinquent bill, or the current amount due, or a lesser negotiated amount, and~~ **~~2)~~** ~~enters into a repayment plan made in compliance with rule 3.310 to pay the debt balance over at least three months.~~*

GMP COMMENT: GMP asks that this Rule revision be rejected as proposed; if it is not rejected, GMP asks that the second criterion be applied to "pay the **remaining** debt balance over at least three months." GMP recognizes that customers may not be able to pay half of a delinquent bill. GMP is flexible when creating payment arrangements, and we often work with customers on less than half of the delinquency. The risk created by the Department's prescriptive revision that disconnection activity must stop if a customer pays the "current amount due" is that over time it could leave the customer with a prohibitively high debt amount – and a result in higher monthly payment to eventually retire the debt. GMP would not object to some clarifying language to ensure that outcome is avoided if the Department strongly believes this revision is required, and has suggested it above (making clear that simply resuming payment of current amounts due when disconnect starts will not stop disconnect proceedings unless the customer also enters into a payment plan).

3.312 Financial and Energy Efficiency Assistance

GMP GENERAL COMMENT: GMP does not have a comment on the text of the Department's revision. We believe our website, field meter team, and customer care representatives all provide the information noted in this revision and therefore GMP meets the requirement of having such information available through current practices.

3.313 Annual Levelized Installment Billing Plans

~~9. A utility must transmit a written confirmation of a levelized installment plan within one (1) week after it is established~~.

GMP COMMENT: See comment to proposed revision to Rule 3.310 above, which is also applicable here. GMP residential customers can sign up for budget billing and cancel budget billing at any time of the year with a customer service representative or on our website in the customer self-service section. GMP utilizes the bill to clearly identify usages/charges as well as the customer's budget billing information. Changing practices as suggested by the Department will create programming burdens and cost.

~~*10. A utility may not issue a notice of disconnection for a customers' failure to make payments according to the requirements of the levelized installment plan if the utility failed to provide written confirmation of the installment plan in accordance with this rule*~~

GMP COMMENT: See comment to proposed revisions to Rules 3.310 and 3.313 above. GMP asks that this revision be rejected. GMP's practice of using a customer's bill to set forth the terms of an installment plan for budget billing (or for a payment arrangement) has worked well and adequately protects customer's interests. Again, this provision would require new costs of time and money.

3.315 Disconnections

3. j. advanced ***annual*** *written notice of vulnerable population members in household.*

GMP COMMENT: GMP seeks clarification regarding the intent of this revision by the Department. We are not certain how long the Department intends this notification to last; for example, is it required to be provided only initially or once every heating season? If the latter, there will be significant costs and administrative burden without clear benefit to customers. We suggest either striking this revision or expressly requiring it on an "annual" basis.

~~5. Disconnection of service must be made on premises~~.

GMP COMMENT: GMP supports robust customer notice prior to disconnection, including in person notification except in very narrow circumstances (see proposed Rule 3.315 Section 6b). However, GMP continues to believe that if a smart meter exists, a utility should be permitted to remotely disconnect customers who have previously received advance notification of disconnection as provided for in the Rules. With the advent of smart meters, disconnection can occur without making a personal visit to the premises. Requiring a personal visit to a customer premises when that customer has already received advance notice of disconnection adds unnecessary cost and risks.

6. Alternative methods of disconnection and notification

a. A customer may agree, in writing ***including through electronic means such as email and text message****, to alternative forms of notice for disconnection. Utilities will biennially update contact information for* ***any customer who has elected alternative forms of notice to*** *confirm that disconnection* ***if needed*** *may still be continued in this method*

GMP COMMENT: GMP supports the intent of the Department's revisions but strongly believes that electronic communications should expressly be permitted. This is in line with both our technological capabilities and evolving expectations from customers. We also believe the revision should be clarified to require biennial updates only to customers who have elected alternative forms of notice. See comments to proposed revision to Rule 3.307 above. Similarly, GMP requests that email and other electronic communications be expressly permitted for other customer contacts, such as those suggested in Section 7.b. by the Department regarding heating season contacts.

3.317 Notice Requirements for Disconnection of Residential and Small Non Residential Rental Units

GMP GENERAL COMMENT: In general, GMP suggests Sections (1) and (2) of the proposed revisions be combined given the significant overlap between these two sections in the proposed draft.

3.318 "Seriously Ill Customer" Protections for Service Disconnection and Restoration

2. …the medical form exemption to disconnection may not be used for more than ~~three~~ ***two*** *30-day periods in any* ***rolling*** *twelve-month period.*

GMP COMMENT: The revision should be clarified to confirm this is meant to be a rolling 12-month measurement. In addition, GMP continues to urge that the rules around the use of a physician's certificate be tightened to encourage customers to work with the utility to make payment arrangements or to explore other avenues of payment, such as GMP's low-income program, and to lessen the situations in which a customer avoids payment on an account for extended periods of time, eventually creating a debt level that makes it very difficult to pay the resulting arrearage. GMP renews its request that the Commission consider limiting the use of a physician certificate 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.

GMP appreciates the opportunity to comment upon the Department's proposed revisions, and welcomes further discussions with utilities, the Department and the Commission to ensure that updates to Rule 3.300 help meet important goals of protection and efficiency for all of our customers.

Dated this 23rd day of July 2020.

Green Mountain Power Corporation:

By: ______________________________
Mary Morris, Manager Customer Service