

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Docket No. 20-0703-PET

Vermont Legal Aid Request for Moratorium on)
Utility and Telecommunications Shutoffs During)
State of Emergency)

COMMENTS OF THE DEPARTMENT OF PUBLIC SERVICE

The Public Utility Commission (“Commission”) issued Orders creating a Temporary Moratorium on Involuntary Utility Service Disconnections (“Temporary Moratorium”) on March 18, 2020, and March 27, 2020. The March 27 order requested comments including requests for a hearing or for any other process.

In filings dated March 20, 2020, April 20, 2020 and May 8, 2020, the Department supported the Temporary Moratorium suspending disconnections for residential customers, supported extending this relief to nonresidential customers, and supported the extension of the temporary moratorium on involuntary utility disconnections from April 30, 2020, to May 31, 2020. On May 28, 2020, the Commission extended the moratorium on disconnections until July 31, 2020, and directed utilities to file post-moratorium plans with the Commission, which were filed with the Commission on May 22, 2020. The Department provides the following comments in response to the post-moratorium plans filed by the utilities.

Utility Ratepayer Arrearages

The Department will receive an appropriation from the Vermont General Assembly of \$8,000,000.00 to minimize the financial hardship caused by the COVID-19 pandemic and mitigate the potential for utility rate increases.¹ Eligibility for this assistance is limited to customers of those utilities affected by the Temporary Moratorium. The Department expects the program details to be available by the end of July. The Department strongly encourages each

¹ H.966, Sec. 20

utility to become familiar with the program specifics and to work cooperatively with both the Department and its ratepayers to distribute this assistance equitably and efficiently.

The Temporary Moratorium provided relief from involuntary disconnection for vulnerable Vermonters during the State of Emergency declared by Governor Scott. Commendably, most Vermont utilities, of their own accord, suspended disconnections at the onset of the State of Emergency to ensure that their customers had continued access to essential utility services. Many companies suspended sending disconnection notices and alternatively sent reminder letters, made calls or included an insert with the disconnection notice to inform customers that service would not be shut off because of the moratorium.

Electric, Natural Gas, and Water

The electric and natural gas utilities have all submitted comments which set forth post - moratorium implementation plans on disconnections and repayment. Several mention waiving late fees for all customers, two mention waiving late fees for commercial accounts, another intends to waive notice fees and another will waive trip fees. Waiving such fees in each instance is a deviation from PUC approved tariffs that indicate fees “shall be charged.” It appears one or more utilities do not plan to send disconnection notices for a period of time and will automatically place customers on a 12-month repayment plan. Commission Rule 3.300 and 3.400 provide guidance and framework for what a utility must do if it intends to involuntarily disconnect a customer but does dictate that a utility *must* involuntarily disconnect customers for nonpayment. This variation from their own prior business practice seems to be squarely within the purview of each utility as it determines what is a good business practice. Similarly offering repayment plans to commercial account holders is not required under Rule 3.400 and seems to be at the discretion of the utility. Rule 3.300 does indicate that customers shall be offered a repayment plan of at least three months, that the payment arrangement is reasonable, and that the utility take into account the circumstances of the customer. There were no filings or comments made by regulated water companies.

The Department raises no issues with any particular utility’s plan as filed. The Department makes the following recommendations that it requests the Commission order when the Temporary Moratorium expires.

Recommendations for electric and gas utilities:

1. Ensure that a utility that automatically enrolled its customers in a payment arrangement also provides those customers with clear information that the payment arrangement was provided as a courtesy and how to contact the company if an alternate payment arrangement is desired. Customers should also be informed that they may choose to pay the full amount due (including arrearages).
2. Payment of current charges due shall forestall disconnection of utility service until December 31, 2020.
3. Reasonable payment arrangements, considering COVID-19 as an unforeseen circumstance, shall be offered for nonresidential and residential customers alike and shall be at least of twelve months duration.
4. Customers may elect to apply their deposit to an arrearage/account balance.
5. Customers who have failed to honor a payment arrangement for a deposit shall not be disconnected if the current amount due on the account is paid.
6. Customers who have broken a payment arrangement must be provided a conventional notice of disconnection with at least 14 days-notice. Suspend 3.305 Notice Under Repayment Plan so that a utility may not disconnect rapidly with only 72 hours-notice for a broken payment arrangement.
7. Waive all late fees and fees associated with disconnection until December 31, 2020.
8. Cease reporting late payments to credit bureaus until January 1, 2021.
9. New account holders who elect to make a payment arrangement for a deposit shall be afforded the opportunity to pay their deposit in equal installment payments over six months.
10. Install drop boxes to receive checks for payment on accounts, if not already available.
11. Increase marketing and outreach about the ability to make automatic payments or utilize online/electronic payment of utility bills. Utilize reminder calls and notices (other than the disconnection notice) to encourage payment.
12. Suspend requirement for door knocks until the heating season resumes and require an additional phone contact. (Rule 3.306)
13. Provide an additional 5 days-notice to tenants in advance of disconnection. (Rule 3.302 C)
14. Provide heating customers resuming service in the fall after a seasonal voluntary disconnection the opportunity to pay arrearages over a minimum of six months.
15. Consider the optimal use of concurrent budget billing with arrearage repayment plans.
16. Suspend increases to a budget billing plan that resulted from increased usage during the Stay at Home/Stay Safe Executive Order until January 1, 2021.
17. Include a bill stuffer and/or utilize other electronic means (emails, page on utility's website, including an application or link to application, and social media) to communicate with customers to encourage applications to the Vermont Arrearage Assistance Program.
18. Suspend disconnections to any home with a terminally ill household member or a household member relying on life sustaining equipment

