



July 27, 2020

Ms. Judith C. Whitney, Clerk
Vermont Public Utility Commission
112 State Street, Drawer 20
Montpelier, VT 05620

Case No. 20-0703-PET - Vermont Legal Aid request for moratorium on utility and telecommunications shutoffs during State of Emergency

Dear Ms. Whitney:

Through a May 28 Order, the Public Utility Commission ("Commission") extended the *Temporary Moratorium on Involuntary Utility Service Disconnections* ("Disconnect Moratorium") through July 31, 2020 and required each utility to file a detailed plan on how it intended to resume disconnect activities once the moratorium is lifted. These plans were filed on or before June 19, 2020, and on July 10, 2020 the Department of Public Service ("Department") filed comments in response to the utilities' plans. On July 22, the Department filed a motion to extend the Disconnect Moratorium ("Motion") through September 30 and the Commission set a deadline of July 27 for parties to respond to the Department's Motion. Vermont Public Power Supply Authority ("VPPSA") offers the following comments in response to the Commission's request.

VPPSA opposes a blanket extension of the Disconnect Moratorium through September 30, 2020 and instead recommends that the Moratorium be lifted and utilities be directed to commence implementing the provisions of their post-moratorium disconnect plans. After having a moratorium on utility disconnects in place for more than four months, some customers have reached past due balances in excess of \$1,000 (and at least one in excess of \$3,000). VPPSA and its members are concerned that arrearage levels are reaching the point that the customers will not be able to recover financially. Allowing the utilities to resume disconnect activities under the current Rule 3.300 and as adapted in the utilities' plans is the most effective way to create a sustainable path for working with customers to avoid accruing past due balances to levels that are not recoverable.

The Department has indicated to VPPSA that it expects to have its arrearage assistance program operational by early August. While program details have not been finalized, the Department has communicated to VPPSA that, due to federal restrictions, the \$8 million allocated by the Vermont legislature cannot simply be sent to utilities to cover COVID-related



outstanding balances. Rather the Department anticipates that each customer will need to take the first step in contacting the program administrator to access the arrearage funding. VPPSA observes that allowing the utilities to resume disconnect activities, including sending disconnect notices to customers with outstanding balances, would be a strong motivator to encourage customers to seek assistance. Under the current regime many customers are not responding to utility communications regarding account arrearages.

In fact, one VPPSA member sent disconnect notices in July prior to the Department's Motion and has already seen positive results with some customers paying account balances and others entering reasonable payment plans. This includes customers who had previously not communicated with the utility during the Disconnect Moratorium.

Some customers who were in arrears prior to the COVID-19 pandemic have continued to accrue balances throughout the Disconnect Moratorium. The federal arrearage relief funds allocated by the legislature to the Department will not be available to cover account balances that were accrued pre-COVID. Prohibiting disconnect proceedings for these unpaid balances for another two months is not in the best interest of these customers or their utilities.

As non-profit municipal entities, the VPPSA member utilities do not have revenue streams outside of their ratepayers to cover the cost of unpaid electric bills. The municipal utilities have not had access to the Payroll Protection Program and have had to continue operations with no state or federal support to date.

VPPSA requests that the PUC lift the blanket moratorium and encourage the Department to work with individual utilities to implement the utilities' post-moratorium disconnect plans in conjunction with the state's arrearage fund to find a path forward that protects the financial stability of the utilities and all of their customers.

Thank you for your consideration of these comments.

Sincerely,

Melissa Bailey
Manager of Government and Member Relations
Vermont Public Power Supply Authority