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STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 20-0703-PET

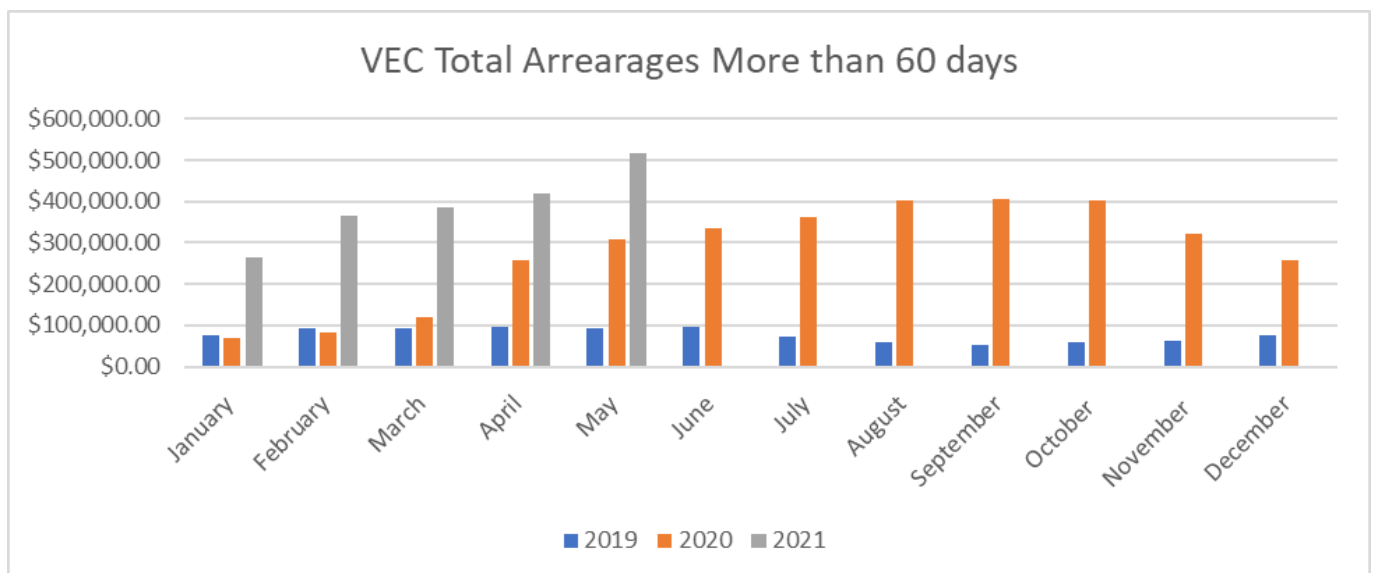
Vermont Legal Aid request for moratorium on utility and telecommunications shutoffs during State of Emergency

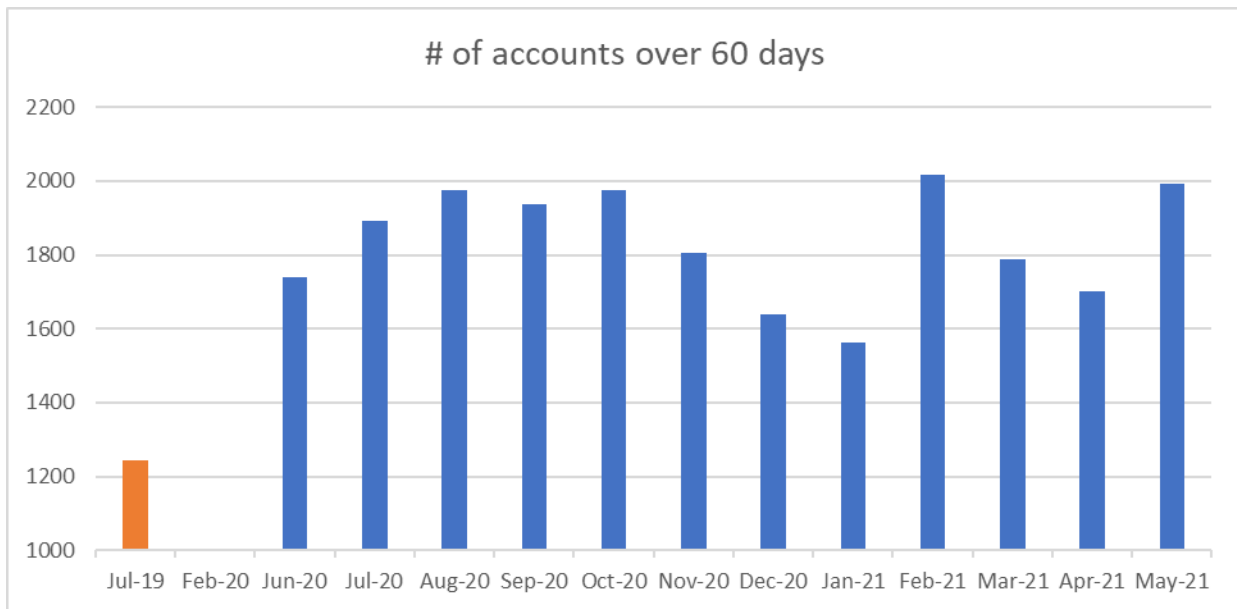
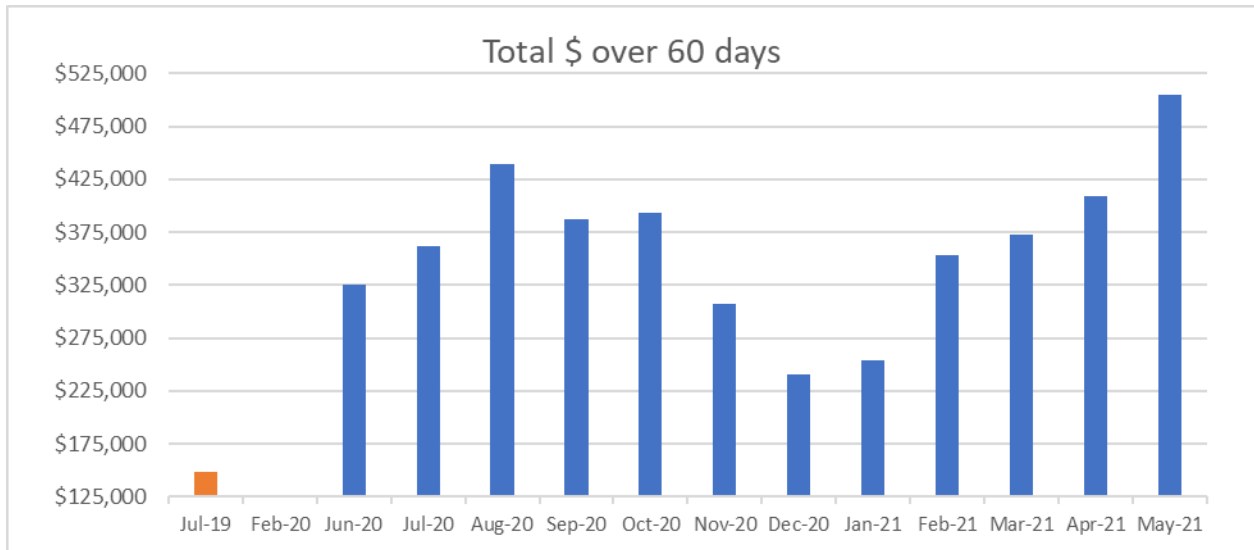
Vermont Electric Cooperative Response to May 24, 2021 Order
Extending Disconnection Moratorium Until June 30, 2021

As we emerge out of the COVID crisis, Vermont Electric Cooperative (VEC) believes it is appropriate and necessary to take significant steps towards the resumption of usual distribution utility service and billing practices. It is critical that electric customers not miss available opportunities for financial assistance that will allow them and VEC to get back on firm financial footing. VEC urges the Public Utility Commission (PUC) to allow us to use all practicable tools at our disposal, including a multi-step and progressive disconnection process, so that members will be encouraged to engage in collaborative solutions. VEC strongly recommends that the PUC set a near term end date for the temporary moratorium. VEC and our partners can then focus our collective energy on working with customers to set up achievable payment arrangements and submission of applications for available financial assistance. We believe this is the only way to emerge successfully from this crisis without considerable financial harm to individuals and all VEC members.

Current Arrearages

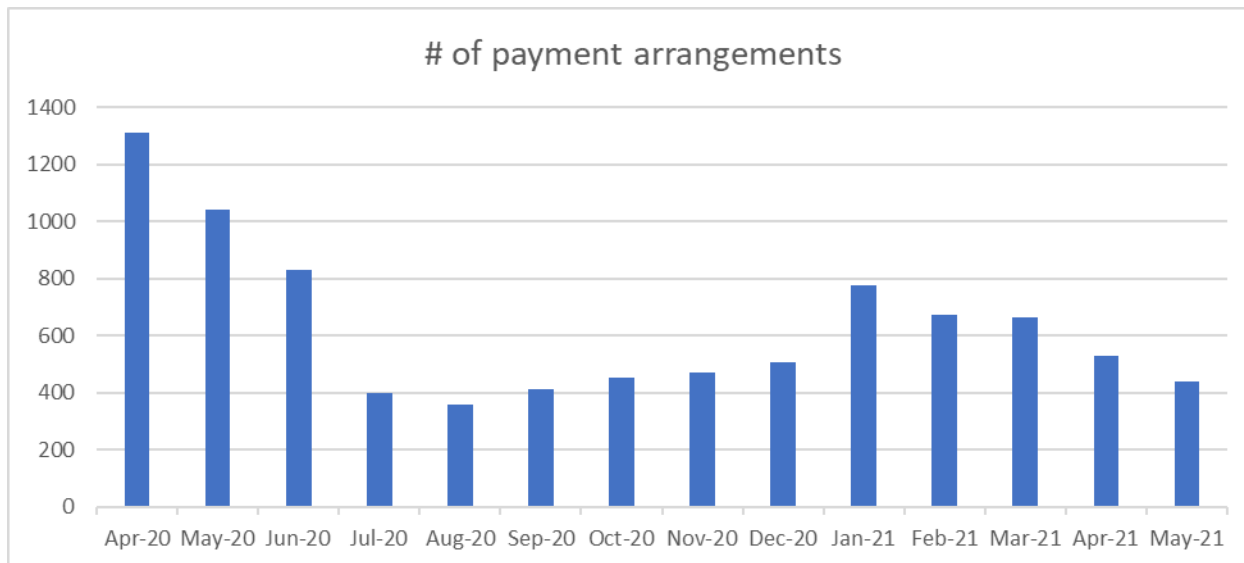
As the following charts illustrate, the magnitude of the problem for VEC continues to worsen and supports immediate action. Prior to COVID, VEC had been working diligently to keep past-due balances low so that resulting cost pressure would not be passed on through rate increases for all VEC members. In February 2020, just prior to the start of the COVID crisis, VEC members had a total of **\$82,637** in balances that were more than 60-days past due. One year later, at the end of February 2021, and after the implementation of the VCAAP program, the over 60-day arrearages totaled **\$353,785**. Now these arrearages are **over ½ million dollars (\$504,572)** and staggering compared to previous years.





Payment Arrangements

VEC is very concerned about the decrease in the number of active payment arrangements in 2021 for members who are behind on bills. As the number of accounts and amount of dollars in arrears trend up, the number of active payment arrangements is trending down. When the moratorium was briefly lifted from October 15 through the end of November 2020, there was an increase in number of payment arrangements. **The lifting of the moratorium will have a beneficial effect on member engagement and the development of sustainable payment arrangements.**



Member Communications and Outreach

In response to the May 24, 2021 Public Utility Commission Order, please find here a description of how VEC has been engaging with members to resolve outstanding past-due balances and how VEC believes it is best to address disconnection of service for non-payment going forward.

Most importantly, frequent and respectful communication with members about service and billing is of the highest priority. Especially in the current situation, it is critical to ensure that members are aware of the flexibility and financial assistance that is available. VEC has already implemented extensive outreach regarding the availability of the Vermont Emergency Rental Assistance Program (VERAP). For example, relevant VEC members have or will soon be notified via a direct email with application links, an insert in the past due notification letter, a message in automated phone calls, direct phone calls by member service representatives, a bill message printed on regular monthly bill, as well as through the VEC web page and VEC social media. When the moratorium is lifted we will continue these activities, implement general press releases, and start on-site member visits to drop door knocker literature. The primary informational messages will continue to be promotion of the availability of financial assistance, and the importance of entering into a sustainable payment arrangement.

Some examples of recent outreach following the launch of the VERAP:

Automated calls. "Hi, this is Vermont Electric Co-op calling, we would like to talk with you about setting up a payment plan on your past due balance, if you are a residential renter and affected by COVID-19, you may qualify for financial assistance through the Vermont Emergency Rental Assistance Program; please push "0" to speak with someone now or call 800-832-2667 to speak with a member service representative"

Bill insert:



We recognize that some members may be experiencing financial and personal difficulty as a result of the COVID-19 Emergency. VEC has been working to support members while regular billing continues. Please contact us as soon as possible if you need to set up a payment arrangement. Members who rent their home may be eligible for financial assistance from the State of Vermont to help with utility balances. We encourage members to explore if they are eligible, and if so, to apply before funding runs out.

Learn more and apply at: www.vtutilityhelp.com

UTILITY BILL FINANCIAL ASSISTANCE PROGRAM
Don't Wait to Apply



Bill Message:

Past Due Utility Bills?

If you or someone you know is a renter and has suffered economic hardship due to COVID-19, financial assistance may be available.



Visit: vtutilityhelp.com



Process Forward

When the moratorium is lifted, VEC believes the following steps would facilitate a successful path forward for members who are behind, as well as mitigate upward rate pressure for all VEC Co-op members.

- Notifications. VEC will continue to notify members about any available financial assistance programs and the need to contact VEC to arrange a feasible payment arrangement.
- Payment Arrangements. VEC's pre-COVID payment arrangement options were customized, as provided for under rule 3.300, to best ensure success. They would typically involve ½ of the past due amount initially with the remaining amount due paid over a period from two weeks to three months. Moving forward, for arrearages that built up during the COVID crisis, VEC would allow more flexible and longer-term payments arrangements, including up to one year or longer if it will help ensure a successful arrangement. It is important to note that long term payment arrangements are not always the best path forward for a member and this should not be imposed. VEC believes it is best to work collaboratively with the member, so we can accommodate individual circumstances, including the opportunity to do shorter term payment arrangements.
- Disconnection Process. If by September a payment arrangement is not in place, VEC will initiate the disconnection process as outlined in 3.300. The member will remain in good standing, and the disconnection process will not commence, provided the member pays their current bill and adheres to the agreed upon past due arrangement.
- Broken Payment Arrangement. If at any point a payment arrangement is broken, VEC will initiate the next steps in the disconnection process as outlined in 3.300. VEC will continue to assist the member in applying for any financial assistance that may be available and will not continue with the disconnection process while assistance is actively pursued. If the member has been determined to not be eligible for assistance, or is not actively pursuing assistance, the disconnection process may continue.
- Disconnection notice fee. Commencing in September, VEC would begin charging the usual disconnection notice fee of \$3.60 per notice for additional notices after two notices have already been issued in the past 12 months (to cover the cost of developing and mailing notices). The notice fee is not currently being charged although we have continued to send informational notices.
- Deposits. VEC would allow members to apply any security deposits to outstanding bills as part of repayment plans, or due to unique circumstances, on a case by case basis.
- Late fees: VEC does not assess late fees for residential accounts. Commercial accounts are subject to 1% late fees which we would consider waiving as part of payment arrangements or due to unique circumstances, for arrearages that built up during the COVID crisis. Because our fees are tariff-based, VEC could not waive them without Commission permission. VEC asks that the Commission provide a blanket approval as part of this docket to give utilities the discretion to waive fees, rather than require a separate approval process.

VEC believes it is time to transition out of the disconnection moratorium. We believe a thoughtful and compassionate transition can accommodate special circumstances and ensure that members access available and new supports. VEC will do our part to partner and collaborate to get assistance to those who may be eligible. We appreciate that these are unprecedented times and the pandemic has imposed

severe financial and other stresses on so many in our community. We will continue to work on behalf of all our members in the hope of ensuring a successful path forward.

Dated at Montpelier, Vermont, this 14th day of June 2021.

Respectfully submitted,
VERMONT ELECTRIC COOPERATIVE, INC.

A handwritten signature in black ink, appearing to read "A. Cohen". The signature is written in a cursive style with a large initial "A" and a long, sweeping underline.

By: Andrea Cohen, Manager
Government Affairs and Member Relations