

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

Green Mountain Power Utility Plan and Response to Vermont Legal Aid Request for Moratorium Extension and to Commission Request for Further Information

Green Mountain Power (GMP) submits the following in response to the Public Utility Commission's (PUC or Commission) May 24, 2021 Order extending the collections and disconnect moratorium to June 30, 2021. The Commission requested that each utility submit a plan for resumption of disconnection activities, along with any additional relevant information.

As soon as the pandemic began to have impacts in Vermont, GMP took quick action for customers. We voluntarily and proactively stopped service shutoffs and all collections activities, and asked permission of the Commission to delay quarterly adjustor collections. We also developed and implemented work methods that allowed us to maintain our essential services to customers safely and effectively, including outage work and storm restoration. As we emerge from the pandemic, this same customer focus will remain at the core of all we do at GMP.

We are committed to helping our customers mitigate the economic impact of the pandemic. GMP has updated our plans initially created last year during the pandemic for empathetically working with customers whose accounts have fallen behind to help them navigate through and overcome the economic challenges created by COVID-19. Generally, the steps outlined in the plan we submitted last June remain intact. We summarize our plan below and

include updates reflecting recent legislative action and funding that is or will be available, on a timeline with the anticipated end of the disconnection moratorium as of June 30, 2021.

Throughout the moratorium, we have worked with the Vermont General Assembly, the Department of Public Service (DPS or Department), nonprofit groups, and other Distribution Utilities to advocate for greater relief for our customers. We engaged in extensive outreach to help customers access the initial relief funding that launched last summer, and we have helped spread the word on the utility assistance now available to qualifying renters. We will do the same for any other program our customers qualify to receive, and we are very happy that the General Assembly also approved backstop funding for utility customers during the 2021 legislative session. Our top priority is to help implement these programs and assist customers to access them, because the best outcome for all of our customers is to reduce the debt owed by those who have fallen behind during the pandemic. We believe the state moratorium should expire as currently scheduled, at the end of this month, and that the plan we implement thereafter will work best to help customers transition to payment plans, apply for available assistance, and lower overdue balances.

Our Updated Arrearages Plan and Next Steps:

As of this filing, our arrearage balance for customers behind more than 60 days is \$20.7 million. For context, here is a comparison from March 31, 2020 just after the pandemic started, to now, by customer class:

		Arrears > 60 Days @ 3/31/20		Arrears > 60 Days @ 5/31/2021	
	Count	Amount		Count	Amount
Res	12,654	3,241,609.47		25,774	16,586,033.01
Comm	1,105	664,336.48		2,729	4,087,047.73
Total	13,759	3,905,945.95		28,503	20,673,080.74

These balances stand despite the \$8M accessed by utility customers statewide during the initial relief funding last summer and fall. As these facts demonstrate, customers have now been in this tough situation caused by the pandemic for quite some time, so we expect to be working with customers over many months, in different phases, to help them return to pre-pandemic Accounts Receivable (A/R) levels. Our plan along the way will be flexible so that we can adjust as the need, program timing and circumstances change.

GMP has and will continue to address past due balances, collections, and disconnections with the utmost care and empathy for our customers and will take a measured approach to help customers. We will also continue to work to ensure we have the financial liquidity to support this measured approach. Here is how we expect to phase our plan over four stages to reduce arrearages:

Phase 1 – Targeted through June 30, 2021:

Over the last couple months and through when the moratorium is projected to end, GMP has and will continue to proactively and with care reach out to residential and commercial customers with outstanding balances through direct courtesy phone calls, reminder letters, meter reader visits, social media, and email. We have treated each inbound call to our customer care team as an opportunity to help customers as well. The goal continues to be to work with customers to alert them to the projected end of the formal moratorium, and direct them to the multiple assistance programs approved by the Legislature that are or will soon become available. This creates conversations that eventually lead to payment arrangements that meet customers' resources and needs, reduce their concern regarding debt and potential shutoffs, and reduce A/R overall for the direct benefit of all our customers.

- Meter readers, outbound letters and emails, and customer service representatives provide information on how to apply for the new state assistance programs, and GMP's Energy Assistance Program (EAP).
- We will continue to highlight recurring payments, Budget Billing and autopay options to help reduce A/R long-term.

Phase 2 – Targeted July 1, 2021 – Oct. 31, 2021:

GMP plans to inform customers when the formal moratorium ends and to engage in an extensive effort to help as many customers as possible access all available funds. In addition to residential and small commercial customer outreach and assistance, we also plan focused, targeted efforts to help dairy farms and a handful of large customers with especially big balances to find a path forward. Again, empathy will center all our work, as helping customers out of debt created during the pandemic is key.

While we will communicate the end of the formal PUC moratorium, we will informally maintain our own disconnection pause for a period of time to give customers an opportunity to seek state assistance and access available help. We will work with the Department and other state agencies to support and complement their efforts to provide recently approved backstop aid, along with new state homeowner and rental assistance programs. We expect to be able to help substantial numbers of customers to access these programs to lower their balances over the summer. We will also continue to implement payment arrangements with any customer who is interested, reducing balances through any available assistance first.

- We will informally maintain our moratorium until September 7, 2021.
- We will not pursue disconnection activity for any customer who has applied for and is awaiting a decision regarding any state or federal arrearage assistance programs.

- Collections efforts related to closed accounts will be reinstated August 1, 2021, as will late fees for Commercial and Industrial accounts for new debt going forward. (We will not charge or reinstate fees that would normally have been charged on debts that accrued prior to August 1, 2021.)

Phase 3 – Targeted November 1, 2021 – March 31, 2022:

GMP will work under traditional winter disconnection rules to help customers reduce older debt and hold down A/R balances as much as possible, which do typically go up in the winter.

Fortunately, the rules ensure that winter disconnects are low. We expect disconnects to be used very rarely during this period.

- We will continue to work on payment arrangements with any customer who is interested, and that fit their needs regarding length, as a first and best choice.
- As long as funding programs remain available, we will help customers access these programs and work proactively to lower their outstanding balances.
- Though we will continue to send disconnect notices for past-due bills under the rules, we will work diligently to avoid disconnects whenever possible, especially for residential accounts, through payment arrangements and proactive customer communications.
- Any disconnects will be limited and in keeping with PUC rules.

Phase 4 – Targeted April 1, 2022 – Dec. 31, 2022:

We hope and expect this final phase will help customers reduce overdue balances substantially, to return close to normal pre-pandemic levels. GMP will implement normal practices under existing PUC-approved summer disconnection rules on April 1, 2022 and will continue to work with customers to help support them and reduce debt through the end of the year.

- Payment arrangements, reminders via mail, phone or in person and a continued reliance on empathy will remain a critical part of our work.
- Our goal is to help customers return to the typical A/R amount over 60 days old by Dec. 31, 2022, which is around \$3-4 million.

In the event that balances are not substantially reduced through these steps we will have to assess additional ways to address arrearages in order to help protect all customers from long-lasting effects from the economic disruption of the pandemic. Given the uncertain circumstances and the possibility of a return of a new wave of COVID-19 – with new impacts on the economy and our customers as a result – all of this is flexible and subject to modification based on conditions in real time. In addition to the monthly disconnect/payment plan reports we already provide, we will submit information on A/R balances quarterly through the end of 2022 to provide the Department and Commission insight into how the recovery is proceeding for customers.

Response to Vermont Legal Aid Request to Continue Temporary Moratorium and Commission Requests for Further Information:

During the pandemic the Commission, the Department, the Vermont General Assembly, utilities, Vermont Legal Aid, and other nonprofits involved in this docket and in the legislative discussion have worked together to help Vermonters. These legislative and regulatory processes to offer direct aid to Vermonters have shown how to work creatively and collaboratively for the benefit of all those we serve. We appreciate the Commission’s proactive help in this proceeding to address the needs of customers.

GMP also appreciates the work by the coalition of nonprofits that support a further extension until the end of August, but given our experience with customers through the

pandemic we are concerned that this could actually result in a tougher situation for customers, as they are left with still growing balances, without agreeing to payment plans or proactively seeking the new or additional funding available. That is why GMP is in favor of ending the state-mandated moratorium as currently scheduled at the end of this month, while our own plan will ensure that customers disconnection notices would be withheld through at least September 7, and would not be sent at all for any customer who enters into and maintains a payment plan or has applied for and is awaiting a decision on any arrearage assistance programs. We believe this solution will help customers more in the long run, as we work together with them on payment plans and other relief.

Despite these incredibly difficult challenges for our customers, we know that by working together, we can help our customers emerge from this pandemic. We appreciate the continued conversation and support to ensure that happens.

Respectfully submitted this 14^h day of June 2021.

Green Mountain Power:



Steve Costello, Vice President
Customer Care