

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120**

**Public Utility Service Termination
Moratorium - Modification of
March 13th Emergency Order**

**Public Meeting July 16, 2020
3020853-CMR
Docket No. M-2020-3019244**

MOTION OF CHAIRMAN GLADYS BROWN DUTRIEUILLE

On March 6, 2020, Governor Tom Wolf issued a Proclamation of Disaster Emergency (Proclamation) that identified the COVID-19 pandemic as a disaster emergency affecting the entire Commonwealth. On March 13, 2020, relying on both this Proclamation and the Commission's authority under the provisions of Section 1501 of the Public Utility Code, I issued an Emergency Order (March 13th Emergency Order) establishing a prohibition on the termination of public utility service and directing the reconnection of service to customers previously terminated, to the extent it could be done safely, for the duration of the Proclamation, or until a time otherwise established by the Commission.¹

Presently, the Commonwealth finds itself in a different place than in early March when we were under a shelter-in-place directive in order to slow the spread of COVID-19. The Governor, under the advisement of Secretary of Health Rachel Levine, has lifted the shelter-in-place directive and permitted the reopening of businesses in each of the 67 counties. Also, Federal policymakers in Congress have provided tools to help soften the impact of the COVID-19 pandemic through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). These include direct stimulus funds to citizens, payroll protection loans for small businesses, expanded unemployment assistance, and block grants to the various States in the Union. Further, state policymakers in Harrisburg have acted to soften the effects through rent protection and expanded unemployment assistance. Finally, the State Legislature is considering the use of Federal CARES dollars to assist utility customers in arrears,² a proposal this Commission supports in unanimity.³

¹ March 13th Emergency Order issued at the instant Docket.

² June 23, 2020 Co-Sponsorship Memoranda from Senator Thomas H. Killion referring to the Utility Security for Seniors, Families and Small Businesses Act.

³ June 30, 2020 correspondence sent from all four Commissioners to the Legislature supporting the use of CARES funds for utility customers.

I believe that it is time to move into a new phase of our March 13th Emergency Order. Moving from an absolute moratorium to a less restrictive phase, acknowledging that the pandemic and its economic effects have not disappeared, requires us to put in place appropriate customer protections. Further, permitting utilities to begin the process of informing customers they are behind in payment and at risk of termination has the beneficial effect of availing customers to various assistance programs, including the Low Income Home Energy Assistance Program (LIHEAP), Customer Assistance Programs (CAP), and Hardship Funds. I am concerned that maintaining the moratorium for a time-period that is too lengthy may only work to accelerate the accrual of arrears for many utility customers and place them at increased risk of default and termination in the future, when large bills inevitably become due. Over my tenure at the Commission, I have often encouraged utilities to work with customers before their accounts get to a point that is impossible for the customers to overcome. I would be remiss not to apply the same logic in this situation.

My preferred approach for reconsidering the termination moratorium is to convene a stakeholder initiative comprised of the following parties including but not limited to the utilities⁴ subject to the March 13th Emergency Order, the Office of Consumer Advocate, the Office of Small Business Advocate, the Bureau of Investigation and Enforcement, the Pennsylvania Utility Law Project, Community Legal Services, and the Community Action Association of Pennsylvania. To give guidance to the stakeholder initiative, below are my preliminary thoughts on how to balance the public interest.

Moratorium

The stakeholders should discuss the appropriate time to end the moratorium as well as needed customer protections.

Customer Protections

I believe that it is necessary to establish customer protections to ensure the maintenance of utility service access during the existing COVID-19 pandemic. My recommendations are as follows:

⁴ Or their representative associations.

- The establishment of a one-time pre-termination notice to be issued as soon as practical, to residential and commercial customers whose unpaid balance would put them at risk of termination in the absence of the moratorium, which shall inform customers of options to mitigate service termination.
- The extension of the 10-day termination notice to 20-days.
- The waiver of all connection, reconnection, and deposit fees otherwise required for service.
- The waiver of late payment charges for residential and small commercial customers. Such customer classification shall be determined by the utility in-line with its rate classifications.
- The allowance of 2 additional medical certificates for customers who may have otherwise exhausted them.
- Permission to utilize flexible income verification means such as over-the-phone or via electronic mail.
- The establishment of flexible payment arrangements by the utilities for residential customers, regardless of poor payment history, outside the specific formula established in Chapter 14 of the Code utilizing the theme of affordability and prudence.
- The establishment of flexible payment arrangements by the utilities for small commercial customers.
- The establishment of an additional Commission-issued payment arrangement for a repayment term of up to twenty-four months for residential customers affected by the pandemic, for customers not otherwise eligible under existing Statute.
- The establishment of a Commission-issued payment arrangement for a repayment term of up to twenty-four months for small commercial customers not otherwise eligible under existing Statute.

- Utilities shall provide the following information separated by residential and commercial accounts on a monthly basis:
 - The number customers disconnected
 - The number of customers at risk of disconnection
 - The number of accounts that have entered into payment arrangements

Conclusion

I believe that the above recommendations achieve the mandate of this Commission to balance the interests of customers and utilities. There is no specific formula for achieving that balance, especially in the midst of a pandemic. However, initiating this process has the benefit of soliciting input from all stakeholders so that both customer and utility interests are considered.

THEREFORE, I move that:

1. The Commission convene a stakeholder process within ten (10) days of issuance of this Motion.
2. The Commission's Law Bureau is charged with conducting the stakeholder process and issuing guidance to stakeholders for participation in the stakeholder initiative by July 20, 2020.
3. The Law Bureau shall compile and submit the results of the stakeholder process to the Commission at this Docket no later than August 3, 2020.



DATE: July 16, 2020

**GLADYS BROWN DUTRIEUILLE
CHAIRMAN**