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Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

February 12, 2021

Re: Docket No. M-2020-3019244, COVID-19 Utility Termination Moratorium and Low-Income Consumer Protections

Dear Secretary Chiavetta:

The Keystone Energy Efficiency Alliance submits these comments to call upon the Public Utility Commission to prevent the utility shut-offs that threaten to resume on April 1, 2021. We further ask that the Commission develop a plan to address customer debts accrued during the pandemic in an equitable manner.

As an organization representing more than 70 member businesses in Pennsylvania's energy efficiency industry, we are deeply aware that access to utility service is vital to human wellbeing, particularly during the COVID-19 public health crisis. The technologies and services provided by our industry help people and businesses save money, use less energy, and maintain healthier indoor environments. We strongly support preserving utility access for vulnerable customers.

Extend and Expand Customer Protections

We are grateful to the Commission for acting to protect consumers by instituting a utility service termination moratorium in response to the pandemic. In doing so, the Commission honored its stated mission to "ensure safe and reliable utility

service at reasonable rates; protect the public interest.”¹ We applaud that mission and encourage the Commission to abide by it to ensure these essential protections continue.

Access to energy is essential for maintaining healthy indoor environments. The World Health Organization considers energy to be “essential to meeting our basic needs” and “a prerequisite for good health.”² Access to energy influences nearly every facet of modern life, including “individuals’ abilities to get an education, to communicate and to prepare food.” It has been argued that access to energy be designated a human right, or at minimum, a necessary condition on which other human rights depend.³ The right to housing, for example, may be violated if dwellings are rendered essentially unusable or unsafe when basic heating, cooling, and other energy services are unavailable. Human health likewise depends on adequate access to energy. Inadequate access to energy — and the secondary problems arising from unapproved alternative heat sources and other coping strategies — has been shown to lead to a range of negative health outcomes, such as exacerbations of asthma.⁴

In these unprecedented times, homes are the frontline of defense against the world-wide health threat of COVID-19. Utility service enables people to shelter in their homes, comply with public health orders, and avoid transmitting and contracting the virus. Nationwide, access to uninterrupted utility service because of shut-off moratoria was estimated to reduce both infection rates (by 4.4%) and rates of mortality from the virus (by 7.4%). Extrapolated to Pennsylvania, these bans have prevented approximately 37,000 infections and saved approximately 1,500 lives⁵.

¹ <https://www.puc.pa.gov/about-the-puc/>

² <https://www.who.int/airpollution/publications/fuelforlife.pdf?ua=1>

³ <https://www.tandfonline.com/doi/full/10.1080/13642987.2019.1671355>

⁴ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5114037/#R38>

⁵ <https://www.nber.org/papers/w28394#:~:text=the%20COVID%2D19%E2%80%A6-,Housing%20Precarity%20%26%20the%20COVID%2D19%20Pandemic%3A%20Impacts%20of%20Utility,and%20Deaths%20Across%20US%20Counties&text=Moratoria%20on%20utility%20disconnections%20reduce,and%20mortality%20rates%20by%207.4%25.>

Address Pandemic-Accrued Debts Equitably

The pandemic's economic impact has been unequal and widespread, and many customers face mounting debt through no fault of their own, with little certainty about their financial future and ability to pay down that debt. Without appropriate action by the Commission, that debt could be catastrophic for the same households and businesses who have already suffered the most financial hardship from the pandemic. Ratepayers in arrears, obligated to direct all their money toward debt repayment before basic needs, would be unable to participate in the greater economic recovery. For the Commission to allow such an outcome would defy a key component of its stated mandate: "to balance the needs of consumers and utilities."⁶ We call upon the Commission to put forth a plan that equitably balances the needs of utilities and *all* consumers.

Commission Chairperson Gladys Dutrieuille emphasized in her October 2020 testimony to the House Democratic Policy Committee that "Utilities in Pennsylvania have much more flexibility to make allowances for payment-troubled customers than the Commission does" and encouraged a collaborative approach to managing this crisis.⁷ We support this recommendation for flexibility and collaboration. Options in the short term could include offering flexible payment options to consumers and debt forgiveness programming options. Looking forward, the Commission could consider novel approaches to spreading the responsibility for remaining pandemic-accrued debt across all sectors, allowing Utilities to write off some debts and, in exchange, be given credit for comparable energy savings in low-income programs. In particular, we recommend that special consideration be given to customers who, prior to the COVID crisis, were already enrolled in a Customer Assistance Program (CAP) and/or classified as a "Confirmed Low Income" customer.

For low-income customers in particular, saddling them with massive debts during or even after the close of this challenging time would risk putting them in a chronic state of energy insecurity, or the "inability to adequately meet basic household energy needs." The looming threat of losing utility service is considered a health hazard in and of itself. The resulting stress has been shown to

⁶ <https://www.puc.pa.gov/about-the-puc/>

⁷ https://www.puc.pa.gov/media/1196/testimony-dutrieuille-hdem_policy_comm-terminations102620.pdf

“[trigger] mental health disorders such as anxiety and depression” and can lead to housing insecurity and associated social and economic fallout.⁸

This situation is not unique to Pennsylvania. The National Energy Assistance Directors Association estimates that 15-20 percent of utility customers are at least two months behind on their utility bills.⁹ Our neighboring state of New Jersey has recognized the urgency and consequence of handling these arrearages properly, and has opened a series of educational events and public hearings.¹⁰

Mobilize Energy Efficiency to Reduce Cost Burdens and Protect Health

The situation in Pennsylvania for low income residents is particularly dire, and not confined to the current health crisis. The Commonwealth consistently ranks in the American Council for an Energy Efficiency Economy’s reports as among the places in the country with the highest energy burdens for low-income individuals.¹¹ Even the Commission’s own report¹² acknowledged that Pennsylvania’s energy burden is higher than most of its neighboring states. This is a chronic issue, and we encourage the Commission to simultaneously target the underlying causes in order to truly and effectively address this crisis.

Energy efficiency (EE) has a key role to play in remediating those underlying causes. High energy burdens are often tied to the dilapidated state of buildings. Weatherization programs are often ill-equipped to fix structural issues that in turn limit energy-saving potential that could greatly reduce costs for low-income consumers. As with all actions of the Commission and Utilities, it is best practice to design plans for dealing with the COVID crisis and ensuing arrearage debt with an eye toward increased energy efficiency. This is particularly salient amid this health and economic crisis, as EE helps customers use less energy, save money, and maintain more comfortable and healthy indoor environments. EE programming is an effective way to lower costs for consumers in all classes, easing the burden of distributed debt or other arrearage management strategies. EE can even be the driving force behind improved ventilation and other measures

⁸ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5114037/>

⁹ <https://www.njspotlight.com/2020/12/many-nj-customers-way-behind-on-utility-bills-pressure-to-suspend-rate-increases/>

¹⁰ <https://www.nj.gov/bpu/pdf/publicnotice/Covid19%20Response%20Notice%20of%20Public%20Hearing.pdf>

¹¹ <https://www.aceee.org/energy-burden>

¹² <https://www.puc.pa.gov/pcdocs/1602386.pdf>

that in turn reduce the transmissibility of COVID, ¹³ making EE utility programs more relevant now than ever.

We therefore commend the Commission for wisely preventing utility service terminations that would have endangered more lives during the pandemic. We urge the Commission to act from its authority to extend existing protections for vulnerable customers, and to further protect those customers from the crushing debt that has accrued during the COVID crisis.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Matt Elliott". The signature is written in a cursive style and is positioned above a light gray horizontal line.

Matt Elliott
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¹³<https://www.aceee.org/blog-post/2020/10/reducing-covid-19-risks-commercial-buildings-without-wasting-energy>