PUC Enhances Utility Protections for Families & Businesses Struggling with Financial Impact of COVID-19

Terminations Prohibited for Low-Income Households; Small Business Help Available; Fees Waived; and Framework Established for Future Discussions

HARRISBURG – The Pennsylvania Public Utility Commission (PUC) today adopted a series of <u>enhanced</u> <u>consumer protections</u> intended to safeguard families and small businesses who are struggling financially because of the COVID-19 pandemic – and also established a framework for future discussions about utility assistance and economic recovery.

Moving forward, while still acknowledging that the pandemic and its economic effects have

not disappeared, requires a mix of holistic, short-term and long-term solutions to offer

customers protections and ensure the payment of bills from customers that are able to pay.

Today's new PUC consumer safeguards modify an earlier <u>emergency order</u> suspending all public utility terminations, which was issued by the Commission in mid-March. Today's action also requires detailed monthly reporting by utilities and sets in motion a process to explore longer-term solutions to address consumer and economic utility issues in 2021. The consumer safeguards and monthly reports established in the Motion will remain in effect no later than March 31, 2021, unless the Governor's Emergency Proclamation is rescinded before that date or the Commission establishes a different timeframe.

Enhanced Consumer Protections

The PUC has adopted new safeguards for "protected customers" – those residential households hardest hit by the economic downturn triggered by COVID-19, along with aid for small businesses:

- No Terminations for "Protected Customers" Utilities shall not terminate service for residential customers with incomes <u>within 300% of the Federal Poverty Income Guidelines (FPIG)</u>, unless otherwise authorized by the Commission. These "protected customers" must apply for all available assistance programs and must request a payment arrangement from the utility, if appropriate.
- 2. **Special Outreach to Customers At-Risk of Termination** Utilities must reach out to individual residential and commercial customers whose unpaid balances put them at-risk of termination after the PUC moratorium is lifted, detailing their options for addressing any overdue balances

and a general time range for possible termination. This communication must be sent to customers at least 10 days prior to the traditional 10-day termination notice.

- 3. **Payment Arrangements for Small Businesses** Utilities shall offer a payment arrangement for a period of no less than 18 months to small business customers, as defined by a utility's tariff. A small business customer who remains current on its payment arrangement and current bill shall not be terminated.
- 4. Waiver of Connection/Reconnection Fees Utilities shall waive all connection, reconnection and deposit fees for protected customers.
- 5. No Late Payment Charges Late payment charges are waived for protected customers.
- 6. Additional Medical Certificates Two additional medical certificates shall be accepted by utilities for eligible customers who have exhausted the number otherwise available, with an additional seven days for medical professionals to return medical certificates to the utility.
- 7. Flexible Income Verification Utilities and the PUC's Bureau of Consumer Services can utilize flexible methods to verify customer income for assistance programs, payment plans and qualification as a protected customer such as over-the-phone or e-mail.

Termination and Collections Can Resume November 9 for Customers Able to Pay

With these enhanced safeguards in place for struggling households and small businesses, the PUC's emergency moratorium on all other utility terminations will be lifted, effective Nov. 9, 2020.

This applies to all electric, natural gas, water, wastewater, telecommunications, and steam utilities subject to the Commission's jurisdiction.

Additional Monthly Reporting by Public Utilities

Today's PUC motion directs utilities to provide monthly reports detailing the number of active residential and non-residential accounts that are at-risk of termination and/or have been the subject of other actions. Reports are initially due on Dec. 15, 2020, with additional reports to be filed on the 15th of each following month, until March 31, 2021 or as otherwise determined by the Commission.

The monthly reports shall include a separate breakdown of the following information about residential and small commercial accounts:

- 1. **At-Risk Customers** Total number of residential and non-residential accounts at risk of termination at the end of the month and for the same month the year prior.
- 2. **Past-Due Balances -** Total aggregate dollars of arrears, broken down by the same account categories, at the end of the month and for the same month the year prior.
- 3. **Terminations** The number of residential and non-residential accounts disconnected for non-payment with dollar amounts owed.

Future Steps – Stakeholder Involvement

Because of the dynamic nature of the pandemic, the Commission will revisit these protections during the first quarter of 2021, based on the trajectory of the pandemic and the status of the

economy at that time. PUC staff will request comments and proposals from interested parties regarding any revisions to the current consumer protections. Those comments shall be submitted to the Commission by Feb. 16, 2021.

About the PUC

The Pennsylvania Public Utility Commission balances the needs of consumers and utilities; ensures safe and reliable utility service at reasonable rates; protects the public interest; educates consumers to make independent and informed utility choices; furthers economic development; and fosters new technologies and competitive markets in an environmentally sound manner.

Visit the PUC's website at <u>www.puc.pa.gov</u> for recent news releases and video of select proceedings. You can also follow us on Twitter, Facebook, LinkedIn, Instagram and YouTube. Search for the "Pennsylvania Public Utility Commission" or "PA PUC" on your favorite social media channel for updates on utility issues and other helpful consumer information.

###