

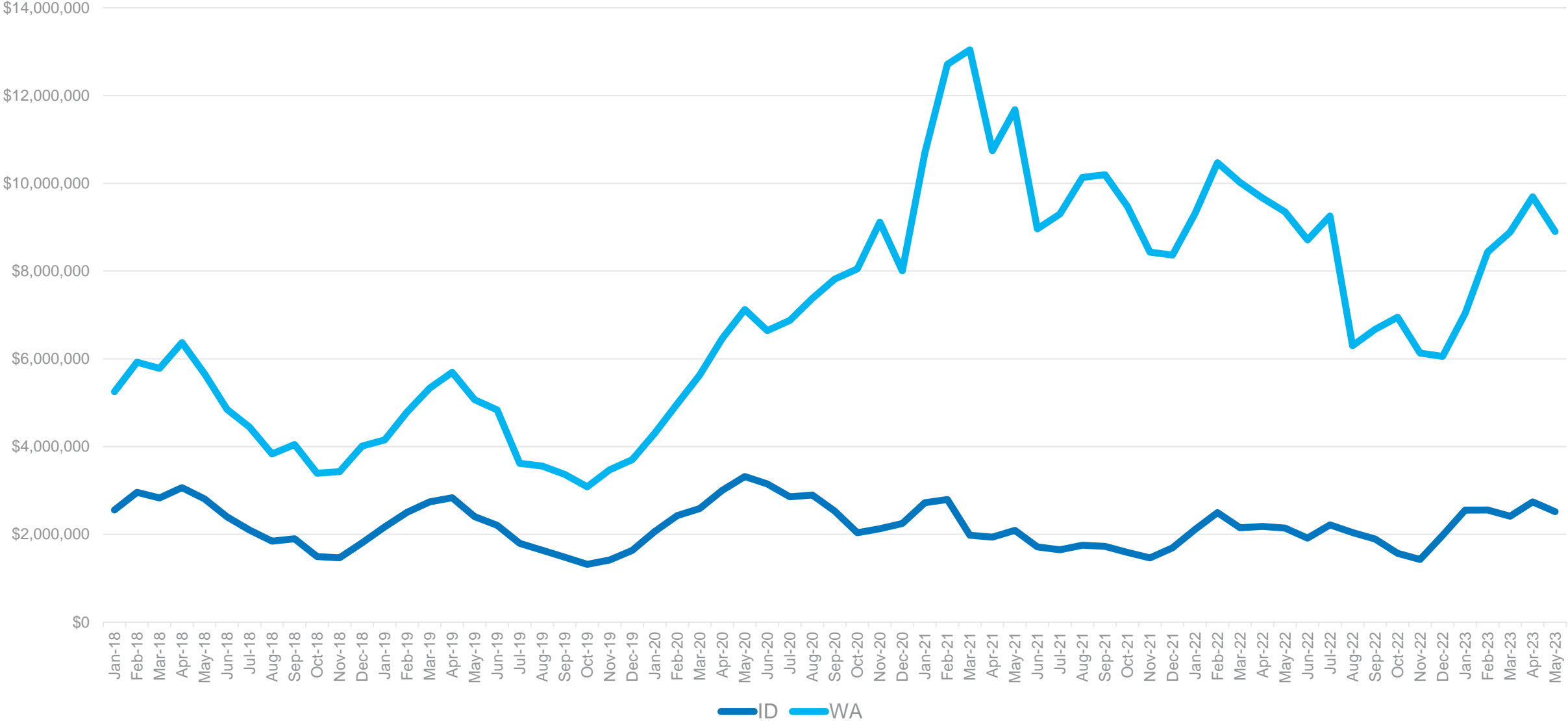


Disconnection Moratorium Impacts

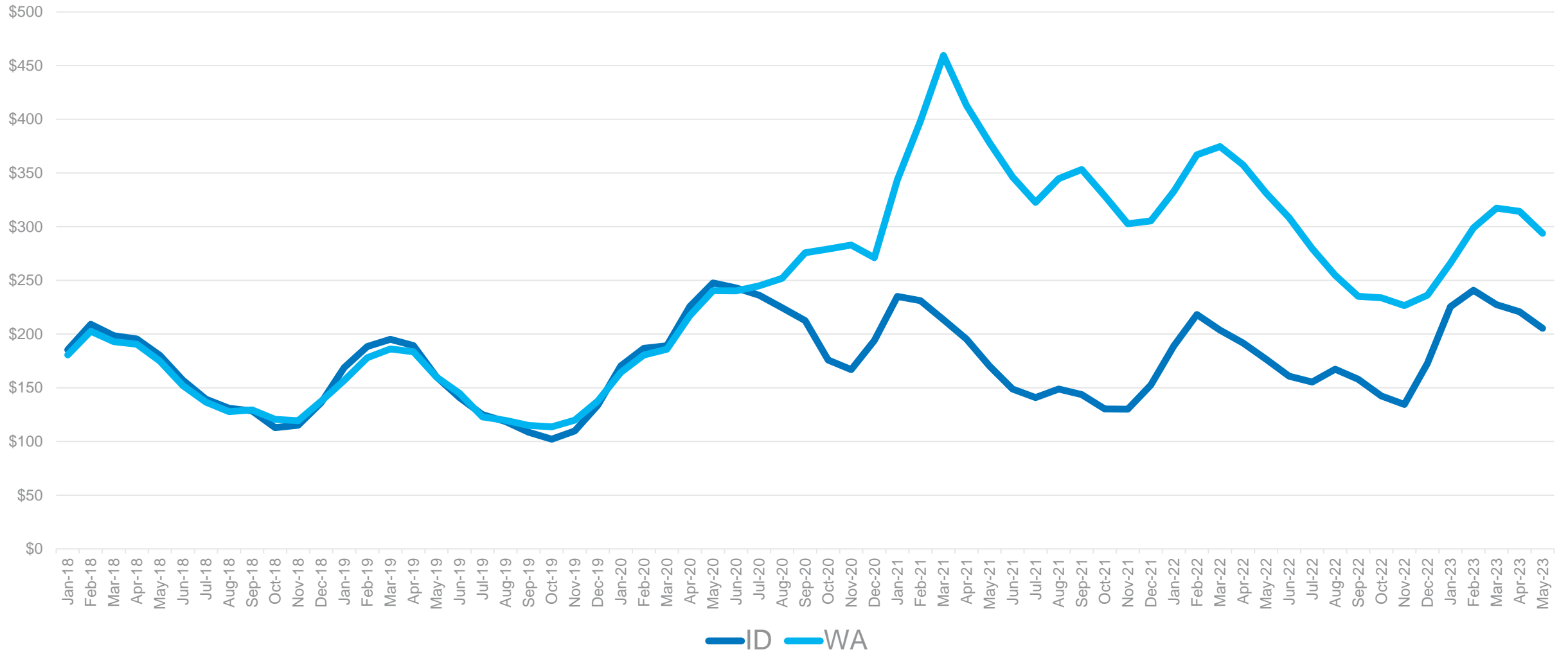
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Historical Residential Washington vs. Idaho Arrears



Historical Residential Washington vs. Idaho Average Past Due Amount



Equitable Customer Protections

- Interest of all customers must be balanced with protections put in place for subset of customers who need them
- Many protections already in place
 - Disconnection Reduction Plans
 - Site visits for known low-income customers prior to remote disconnections and reduced windows for when disconnects may occur
 - Bill Discount Programs and arrearage manage programs
 - Flexible payment arrangements
 - Increased outreach and engagement
 - No disconnects during heat related alerts
- Look to Oregon for additional protections
 - Verification process for low-income customers
 - No deposits or late payment charges and waived reconnect fees for low-income customers
 - Extended past due notice timeline
 - Disconnection moratorium during extreme heat or cold and on poor air quality days

Moratorium Alternatives

- Alternatives 1, 2, and 6 are not possible to implement
 - We do not have access to individual household income
 - We do not have access to customers' other utility bills
 - We do not have access to demographic data at an individual household level
- Alternative 3 and 4 would be possible to implement
 - Would have similar effect as pandemic moratorium
- Alternative 5 is not necessary for larger customers
 - Low percentage of disconnection and not an issue for health and safety

Effects if a Moratorium is Made Permanent

- Long-term effect of increased arrears leading to increased level of bad debt recovered from all other customers
- Providing protection for customers who do not need it
- Potential incentive for customers who can pay choosing not to pay
- Prior obligation no longer applicable but customers may fall further and further behind with no way to get caught up
- At what point are utilities able to write off debts – potential cash flow impact