

**Puget Sound Energy's  
COVID-19 Plan for Outreach and Financial Assistance**  
February 26, 2021

Puget Sound Energy (“PSE”) has been committed to assisting its customers throughout the pandemic, voluntarily suspending disconnection of service in early March 2020 and creating the COVID-19 Affected Customer Assistance Program (CACAP) bill assistance program in mid-April 2020, which to date has distributed \$9 million to 15,455 customers.

As PSE moves towards resuming its collections operations, PSE is just as committed to providing the information and programs its customers need to keep connected to electric and gas service. PSE’s COVID-19 plan includes customer communications and payment programs aligned with the following guiding principles:

1. Help our customers and communities recover from the economic impact of COVID-19.
2. Minimize the number of customers that reach disconnection.
3. Ensure disconnected customers have a clear path to re-connection.
4. Recognize that the unique circumstances of customers make one-size-fits-all programs unworkable; instead, strive to offer a diversity of programs and approaches to recognize variability among customers.
5. Implement solutions that solve problems for customers automatically when possible, offer self-service when appropriate, and provide live Customer Care support when needed.
6. Comply with all Washington state and Utilities and Transportation Commission (Commission) rules and requirements.

Below PSE describes: (1) its communications plan regarding available energy assistance options; (2) its extended 18-month payment plan; (3) its new Crisis Affected Customer Assistance Program-2 (CACAP-2); (4) its exploration of arrearage management plans and debt forgiveness plans; and (5) its plans to resume the collections process later this year. This plan should be viewed as an evolving and flexible document that PSE will build upon in the coming months, with input from its Low Income Advisory Group and adjustments potentially being made as PSE deploys some of these tactics and learns what tools are most effective in reaching its most in-need customers.

### **Communications Plan**

The primary goal of PSE’s communication plan is to build awareness of the programs available to help customers struggling to pay their energy bills while recovering from the COVID-19 pandemic.

PSE begins this campaign mindful of the fragile state of the region's economy and the lingering health concerns that our customers currently face. The combined economic, medical and political effects of recent months has done much to weaken the faith that many of PSE's customers have in their civic, governmental and private institutions. PSE realizes that to be successful in addressing the needs of its customers it must first secure their trust.

*Part 1 – Building the Trust (April 2021 – June 2021)*

To build and secure that trust, PSE intends to communicate with customers about its ongoing work in the community, emphasizing the programs PSE currently has in place to support in-need customers, such as PSE HELP, and also introduce the now available extended 18-month payment arrangements and the anticipated CACAP-2 program and build awareness. PSE wants to position itself as a proactive partner in getting its customers back on track. Its main objective through these communications, in addition to building trust, is that these efforts will result in increased participation in both 18-month payment arrangements as well as the CACAP-2 program.

Beginning in April through at least June, these communications will be targeted to all PSE customers in its service territory through mass reach digital and broadcast advertising efforts. PSE will also provide educational materials and information to key civic and governmental stakeholders who can also spread the word effectively through their channels.

*Part 2 – Serving the need (April 2021 – December 2021)*

In addition to building the trust through the efforts described above in Part 1, PSE will also provide more detailed information to customers that outline the help available from existing energy assistance programs, extended 18-month payment arrangements and the anticipated CACAP-2 program, with steps for application. The objective is to guide income eligible customers to energy assistance and CACAP-2, and to guide non-income eligible customers with a past-due balance to extended 18-month payment arrangements.

The primary audience for these communications will be PSE customers under 200% Federal Poverty Level (FPL) or just over 200% FPL that are behind on payment of their energy bill. The secondary audience is those PSE customers, irrespective of income, who are 60+ days behind on payment of their energy bill. This campaign will include digital, print, and video advertisements. PSE also will use other tools such as search engine marketing, paid social media, new customer mailing packets, and its monthly newsletter, The Voice (which reaches 1.8 million customers), as well as direct mail, e-mail, and outreach through community organizations.

Community outreach efforts will include communications in English, Spanish, Russian, Mandarin and Vietnamese, with the goal of lowering language barriers as a means to increase engagement and access for in-need customers. PSE will also be reaching out to local news media (along with Spanish language media) to seek coverage on PSE's CACAP program, to show how the program is helping thousands of households in the region economically impacted by the pandemic.

PSE plans to consult with its Low Income Advisory Group and collaborate with its community partners to explore additional ways to communicate with hard-to-reach customers, to remove

barriers that prevent customer engagement, and to facilitate the process for customers to obtain financial assistance.

PSE will also utilize its field personnel to safely distribute messaging to the most in-need customers who are at risk of collection activity and have received energy assistance in the past two years but have not applied in this program year, highlighting our assistance programs and how to apply. Door hangers will be used, including messaging in Spanish.

Using data, PSE will assess the success of its communications efforts over time, through evaluating enrollment in assistance programs and payment plans, and then it will adjust accordingly.

### **Extended 18-Month Payment Arrangements**

By March 18, 2021, PSE will offer extended 18-month payment arrangements to all customers. (Payment arrangements are currently limited to 12-months.) Extended payment arrangements help customers that (1) have a past due balance, (2) exceed income eligibility criteria for payment assistance, and (3) need to break up the account balance due into affordable payments.

### **COVID-19 Bill Assistance Program**

By April 1, 2021, PSE will submit tariff filings to the Commission establishing a new bill assistance program, Crisis Affected Customer Assistance Program 2 (CACAP-2), that will provide \$20 million in electric bill assistance and \$7.7 million for natural gas bill assistance. PSE is targeting the week of April 12 for the effective start date of the program, pending Commission approval of the program. Once the program is approved, PSE anticipates the automatic allocation of payments under the program will begin to immediately help almost 8,000 customers within weeks. Eligible customers are those customers whose household incomes do not exceed 200% Federal Poverty Level (FPL).

PSE anticipates the new program, once approved, will provide:

1. Automatic CACAP-2 bill assistance to customers who have a balance greater than 60 days past due and are identified as income eligible because they received bill assistance in the prior program year plus the current program year. (Bill assistance includes: CACAP, HELP, LIHEAP, and Salvation Army Warm Home Fund)
  - a. Customer does not need to apply to receive assistance.
  - b. PSE identifies eligible customers based on bill assistance plan participation and past due balance and notifies those customers of their eligibility.
  - c. PSE automatically applies CACAP-2 credit on the identified customer's current account balance up to \$2,500.
  - d. Customer can re-apply for CACAP-2 later if they accumulate a past-due balance, have already met the income eligibility requirements for that program year, have not reached the \$2,500 maximum, and CACAP-2 funds are available.
  - e. PSE creates a record in the Energy Portal for the customer to track benefit allocation (and their application is auto-approved).

- f. PSE sends communications to identified customers confirming credit applied to their account and explaining how the program works via direct mail, email, etc. Information will also be available on the PSE.com website.
2. Easy path to CACAP-2 bill assistance for customers who have a balance one day or more past due and are identified as income eligible because they received bill assistance in current program year. (Bill assistance includes: CACAP, HELP, LIHEAP, and Salvation Army Warm Home Fund)
  - a. Customer applies but does not need to provide any documentation (their application is auto-approved).
  - b. PSE applies CACAP-2 credit on the identified customer's current account balance up to \$2,500.
  - c. PSE sends communications to identified customers confirming credit applied to their account and explaining how the program works via direct mail, email, etc. Information will also be available on the PSE.com website.
  - d. Customer can re-apply for CACAP-2 later if they accumulate a past-due balance, have already met the income eligibility requirements for that program year, have not reached the \$2,500 maximum, and CACAP-2 funds are available.
3. Manual CACAP-2 application for customers who have a balance one day or more past due that have NOT received bill assistance in the current program year but may be income qualified. (Bill assistance includes: CACAP, HELP, LIHEAP, and Salvation Army Warm Home Fund)
  - a. Customer applies through the PSE Energy Portal or by manual application and provides income documentation.
  - b. CACAP-2 application initiates 14-day dunning lock, which prevents the customer from being disconnected for nonpayment during the 14-day period.
  - c. PSE reviews income eligibility and, if approved: (1) applies credit on total account balance due (only) up to \$2,500 and (2) removes account hold.
  - d. The Energy Portal automatically creates a PSE HELP application if the customer is income qualified, and will direct them to contact their administering HELP agency.
  - e. PSE sends communications to identified customers confirming credit applied to their account and explaining how the program works via direct mail, email, etc. Information will also be available on the PSE.com website.
  - f. Customer can re-apply for CACAP-2 later if they accumulate a past-due balance, have already met the income eligibility requirements for that program year, have not reached the \$2,500 maximum, and CACAP-2 funds are available.

### **Arrearage Management Plans or Debt Forgiveness Plans**

As PSE indicated in its written comments filed in this docket on February 10, 2021, arrearage management plans (AMPs) or debt forgiveness plans has been an area of research and education for PSE over the last several months. PSE has been examining the types of AMP or debt

forgiveness plans throughout the country and consulting with its Low-Income Advisory Group on these programs. PSE also conferred with Avista to understand how it created and implemented its program. As a result of these discussions, PSE would like to further investigate how it might implement a program of this type, either an AMP or a Percent Income Payment Plan (PIPP) or some other related mechanism to reduce energy burden for our customers. Given the inherent complexity of designing and implementing these types of programs, PSE has prioritized starting up the COVID-19 Bill Assistance Program first. PSE intends to resume discussions on this topic in the second quarter of 2021.

### **Plans to Resume Credit and Collection Processes**

PSE's COVID-19 plan has been designed to minimize the number of customers who will pass through the entire collection process and end up in disconnection; however, it does require a customer to engage with their utility or community action partnership (CAP) agency if the customer needs help paying their energy bill. Prior to the COVID-19 moratorium, a customer seeking to be reconnected needed to pay a reconnection fee of \$37.00 and half of a security deposit in order to be reconnected. Under the Term Sheet as reflected in Order 01 and 02 in this docket, those fees will not be charged for 180 days after the moratorium is lifted. Specifically:

- If the customer was disconnected remotely, the reconnect can be performed the same day from 5:00 AM until 11:59pm. The customer will need to either schedule a reconnection via our self-service channels (IVR, web or app) or by speaking with a customer service agent.
- If a customer has been disconnected manually, the customer will be reconnected within 24 hours of their request.
- Additionally, if the customer has received assistance in the previous 24 months, a visit by a PSE agent will be done prior to disconnection, providing the customer with information on applying for assistance, payment plans or the opportunity to pay.

As PSE begins to plan for the resumption of its collection processes later this year, it is important to emphasize that disconnections for nonpayment are a last resort and not a tool PSE employs lightly. In the event that a disconnection for nonpayment does occur, PSE anticipates those customers will be reconnected in a relatively short period of time, as described above. For residential customers, once disconnection occurs, the past due account is closed and moves to a prior obligation. Once the customer is reconnected, that customer begins service again, but this time without payment of a deposit or a reconnection fee, if within 180 days of the disconnection moratorium being lifted. PSE strongly prefers to assist its customers with past due balances through energy assistance programs and to avoid disconnection whenever possible, as opposed to disconnecting those customers, often for a very short period of time, creating potential stress or temporary hardship for the impacted customer while the balance owing to the utility moves to a prior obligation.

Prior to any disconnection occurring, there are many steps in the collection process to notify customers of the assistance available and hopefully get those customers the help that they need. In anticipation of an increase in customer calls as it restarts the collection process, PSE is forming a centralized COVID19 response team within PSE to manage resource and demand

within the call center and with its field staff. To ensure PSE’s customers are able to reach PSE and get the assistance they need, PSE will be employing a combination of tactics, including:

- Placing banners on the home page of the pse.com website and the mobile app to provide easy-to-find access to energy assistance information and tools;
- Updating the Integrated Voice Response Unit (IVR) with messaging to inform customers that call PSE that there is assistance available and how to apply either via self-service or with an agent;
- Updating agent scripts to ensure customers receive information on the assistance available;
- Deploying PSE’s proactive customer communications plan;
- Ensuring customer facing technology has the capacity to handle increased volumes;
- Utilizing customer analytics to understand where customers may be encountering difficulties utilizing self-service;
- Updating information on notices and bill inserts;
- Creating a holistic collections resumption plan that incorporates a standardized methodology for collections priorities and considers impacts to our Customer Care Center, back office and field employees; and
- Using a “start slow and assess” methodology and approach.

Through its ongoing and significant communications efforts this year, PSE intends to reach many of its customers who have faced substantial hardships as a result of the COVID-19 pandemic and offer them relief in the form of bill assistance and/or payment plans. PSE’s overarching goal is to ensure safe, continued service for all of its customers. PSE recognizes these are challenging times, and that many of its customers are struggling. It is PSE’s hope that it can make significant progress this year in helping many of these customers with their energy bill – through direct energy assistance, extended payment plans, or both.