## **BEFORE THE WASHINGTON**

#### UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Regulated Utility Response to the COVID-19 Pandemic

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DOCKET U-200281

THE ENERGY PROJECT RESPONSE TO PETITION FOR RECONSIDERATION AND STAY

#### THE ENERGY PROJECT REPONSE TO THE

## PUBLIC COUNSEL PETITION FOR RECONSIDERATION AND STAY

#### June 25, 2021

## I. INTRODUCTION

The Energy Project (TEP) files this Response pursuant to the Notice of Opportunity to

Respond To Petition For Reconsideration and Petition for Stay, issued June 14, 2021.

The Attorney General's Office of Public Counsel (Public Counsel) has requested that the Commission reconsider its decision in Order 03<sup>1</sup> not to extend the utility disconnection moratorium an additional sixty days until September 30, 2021, and has also asked the Commission to stay any collection activity including, notices of disconnection, until after the moratorium ends. The Energy Project supports the petition for reconsideration and for stay by the Washington Attorney General in this case. These are reasonable requests, designed and

<sup>&</sup>lt;sup>1</sup> Order 03 was entered on May 18, 2021 in this docket, following a May 12 Open Meeting, written comments by utilities and consumer advocates filed on and or about April 30 and thereafter, and utility company data filings.

intended to maximize the time available to deliver available COVID-19 financial relief to Washingtonians in order to avoid the loss of utility service. Granting reconsideration and stay of collection action will better enable Washington ratepayers to emerge from the pandemic free of the crippling burden of utility debt and free of the threat of loss of essential utility service.

The Attorney General's petition is fully consistent with the recommendations of the all the consumer parties at the May 12 Open Meeting and in related filings. Consumer parties have participated in this COVID-19 response docket since its inception, representing a broad spectrum of the customer base of Washington's investor-owned for-profit utilities (IOUs). Public Counsel represents over two million Washington IOU residential and small business customers. The Energy Project represents the interests of low-income customers of those same utilities and of the 40-plus community action agencies delivering assistance to those customers. Front and Centered is a coalition of communities of color-led groups in the Pacific Northwest, advocating for equity, environmental and climate justice. The Northwest Energy Coalition is an alliance of over 100 environmental, civic, and human service organizations, progressive utilities, and businesses in Oregon, Washington, Idaho, Montana and British Columbia, designing, promoting, and implementing clean, affordable, and equitable energy policy grounded in analytical expertise. The Sierra Club is a national environmental advocacy organization with chapters and many active members in Washington. All of these parties, along with many individual customers, requested the Commission both in written filings and at the May 12 Open Meeting to extend the moratorium and to not permit collection action during the moratorium.

#### RESPONSE OF THE ENERGY PROJECT DOCKET U-200281

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Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197

The Energy Project urges the Commission to heed the well-founded recommendations of this coalition of consumer voices, amply supported by data analysis, state energy policy, and the public interest, and reconsider the unwise approach of Order 03 of putting additional pressure on already burdened utility customers.

The overarching issue before the Commission at this stage of the docket is not whether utility companies will ultimately recovery arrearages. Millions of dollars of taxpayer and ratepayer funds are available for that purpose, with more on the way from the American Rescue Plan. The Commission has authorized utilities to defer uncollectible bad debt for potential future collection in rates from all customers.<sup>2</sup> In addition, many customers are, or will be, repaying their own arrearages. Utilities are not facing financial jeopardy and do not make that claim.

The real issue is not whether collection activity will ever resume. Even under the Public Counsel petition, collection would resume by early fall 2021. The question is instead whether the transition back to resumption of collection and disconnection will be managed fairly and rationally so as to avoid harm and disruption to customers, especially low-income and vulnerable customers.

In its two previous orders in this docket, the Commission has approved a framework for customer protection and pandemic relief that has been applauded even beyond our region. Reconsideration offers the Commission the opportunity to continue this reasonable approach and to help provide a smooth glide path for customers to emerge from the pandemic. While Order 03

Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197

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<sup>&</sup>lt;sup>2</sup> At the request of the IOUs, the Commission has also authorized the utilities to track their costs incurred due to the COVID-19 pandemic for potential future recovery from customers in rates. These costs include the cost of all arrearage relief and bill assistance, uncharged late fees, direct costs (such as PPE and cleaning costs) and the like.

continues and in some cases, expands consumer protections adopted earlier, the order also adopts the problematic and potentially counterproductive approach of allowing premature resumption of collection while the moratorium is still in effect. The Commission has a chance to remedy that here by a thoughtful reconsideration of its order.

There is no substantial dispute about the salient facts established in the record of the docket:

- There are more than adequate arrearage relief funds available to fully offset the total amount of arrearages owed by customers to the utilities.<sup>3</sup>
- Some of these arrearage relief funds, although substantial, are only becoming available for distribution now, and will take some time to deliver to customers.
- Arrearages are concentrated in zip codes where there are also high concentrations of vulnerable populations, highly impacted communities, and people of color, and unemployed.<sup>4</sup>
- PSE and Avista alone have over 100,000 customers in the "dunning" process, or who but for the moratorium would have been disconnected.<sup>5</sup> These customers are disproportionately in zip codes with vulnerable populations and highly impacted communities.
- Utilities have stated that they are concerned about their ability to handle the volume of credit/collection/assistance requests that will occur once the

<sup>&</sup>lt;sup>3</sup> Order 03, ¶ 38.

<sup>&</sup>lt;sup>4</sup> Supplemental Comments of The Energy Project, May 7, 2021, Attachment A (data presentation).

<sup>&</sup>lt;sup>5</sup> *Id.*, ¶ 13, n.18.

Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197

moratorium is lifted.

- Auto-enrollment to receive benefits is only reaching approximately 10 percent of customers for most utilities,<sup>6</sup> with the remaining 90 percent needing to use manual enrollment procedures that take longer and may have barriers for some customers and communities.<sup>7</sup>
- Utility outreach to connect customers to assistance has been not been as effective as desired.
- 9 The Energy Project respectfully request that the Commission reconsider its resumption order in this case, based on the weight of this record evidence.
- 10 Customers are faced with unpaid utility bills through no fault of their own. The economic impacts of the COVID-19 pandemic are well-documented. These effects have fallen most heavily upon service sectors of the economy where workers of color and vulnerable communities are more heavily represented. Customers are not unwilling to pay for utilities, they are unable to do so. State regulatory policy should seek to ameliorate this situation, not exacerbate it by authorizing the needless acceleration of the resumption of collection and disconnection while available funding and distribution and outreach mechanisms are still being deployed.
- 11 Two recent developments provide further support for Commission reconsideration and for a stay in this docket.
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As the Commission considers this petition, Washington is entering a historic heat wave

<sup>&</sup>lt;sup>6</sup> Avista reports it has been able to reach 30 percent of eligible customers.

<sup>&</sup>lt;sup>7</sup> Supplemental Comments of The Energy Project, May 7, 2021, ¶¶ 12-13.

creating a heat emergency for its residents. This further emphasizes the critical importance of essential utility service to protect customers' health and safety. Electricity is essential for households to run refrigeration and to operate cooling appliances such as fans or air conditioners. The impact of this climate emergency falls most heavily upon the most disadvantaged customers, as described in a Seattle Times story of June 24<sup>8</sup> reporting on a new data map issued this week by King County.<sup>9</sup> Addison Houston of Seattle-King County Public Health noted that: "The burden of that falls on Black and indigenous and people of color communities and is largely oriented with the sound end of King County where there's a higher concentration of industrial activities, dense roadways and airports." As Lara Whitely Binder, climate preparedness manager for King County observed, "Everybody's affected by heat, but not everybody is affected equally." The Pacific Northwest is ill adapted to extreme heat and heat illnesses and deaths are projected to rise as temperatures warm.<sup>10</sup>

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Another relevant and recent development is the announcement by Governor Inslee on June 24 of an eviction moratorium "bridge". The "bridge" is effective from July 1 through September 30, and is designed to implement tenant protections to allow time for the arrival of significant federal relief dollars, and to allow for a transition to new tenant protections established by the Legislature. As Governor Inslee explained: "As we all know, COVID-19 has had a significant economic impact on our state and a lot of Washingtonians are still experiencing

<sup>9</sup> https://kingcounty.gov/elected/executive/constantine/news/release/2021/June/23-heat-mapping-

<sup>&</sup>lt;sup>8</sup> "Heat Inequality: In county, its hottest where vulnerable, least affluent live", Seattle Times, June 24, 2021.

<sup>&</sup>lt;u>results.aspx</u> (Results of heat mapping project show inequitable impact of hotter summers, will inform actions by King County and City of Seattle)

<sup>&</sup>lt;sup>10</sup> *Id.* p. A7.

Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197

financial hardship....These are all reasonable steps and will help ensure that renters and landlords have an opportunity to receive support and resources that are available to them."<sup>11</sup>

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Similarly, the thrust of the Public Counsel petition and of TEP's support in this case is to ask the Commission to reconsider Order 03 so as to create a better bridge or transition to the end of the moratorium and to resumption of collection, allowing more time for customers to be connected to known available resources.

#### II. DISCUSSION

# A. The Evidence Does Not Adequately Establish Utility "Readiness" To Resume Disconnection

An important purpose of the May 12 Open Meeting process was an evaluation of utility company "readiness" to resume collection and disconnection activity.<sup>12</sup> Reconsideration and stay are appropriate in this case because the record as of the May Open Meeting did not establish a state of "readiness" sufficient to support the determinations in Order 03. To the contrary, the record shows that: (1) new utility relief programs only reach a minority of eligible customers through auto-enrollment; (2) utility systems to handle application workload are still being developed; (3) not all relief funds are fully deployed; and (4) utility outreach about availability of relief has not been effective is not adequately defined for the future. Order 03 did not specifically address or make any findings with respect to the readiness of individual utilities to resume collection and disconnection.

<sup>&</sup>lt;sup>11</sup> https://www.governor.wa.gov/news-media/inslee-announces-eviction-moratorium-%E2%80%9Cbridge%E2%80%9D

<sup>&</sup>lt;sup>12</sup> Order 02, ¶ 11.

# 1. There is a substantial gap remaining to be served by bill assistance programs.

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The Energy Project appreciates the work of the utilities and stakeholders to implement the COVID-19 relief programs that became effective in April 2021. There is, however, a "gap" between those eligible for automatic debt relief under newly offered programs, and the substantial numbers of households with arrearages who are eligible for relief but not yet identified. Consequently, the bulk of customers with arrearages will not be served by the automatic grants, but instead through the manual, customer-initiated process which requires more time to complete and which inherently contains barriers for some customers (language, awareness, technology). Order 03 did not address this relief "gap" issue.

The utilities have acknowledged the scale of the issue, even prior to implementation of the new programs, estimating at the March 25 Open Meeting that new automatic grant programs were expected to reach only between approximately 10 percent (PSE, PacifiCorp, Cascade) to one third (Avista) of customers.<sup>13</sup> More recent data bears out the prediction. As of the May Open Meeting:

- Avista had issued 4,782 automatic grants, or 17 percent of the 28,437 residential customers with arrearages as of March 30, 2021.<sup>14</sup>
- PSE planned to issue 7,437 automatic grants as part of its initial disbursement, which is 6 percent of the 125,000 customers PSE states are in 'active dunning' and presumably at risk of disconnection.<sup>15</sup>

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<sup>&</sup>lt;sup>13</sup> U-200281, Comments of The Energy Project (April 30, 2021), ¶¶ 17-20.

<sup>&</sup>lt;sup>14</sup> U-200281, Comments of Avista (April 30, 2021), pp. 2-3.

<sup>&</sup>lt;sup>15</sup> U-200281, PSE Update on Covid-19 Related Efforts (April 30, 2021), p. 2 (automatic grants) and p. 5 (active dunning). PSE states that 189,000 customers had arrearages as of March 31, 2021, but that figure includes customers with arrearages less than 30 days past due, and also appears to include commercial customers. *Id.* p. 4.

- PacifiCorp had issued about 2,300 automatic grants, or 9 percent of the 24,408 residential customers with arrearages as of March 30, 2021.<sup>16</sup>
- Similarly, Cascade has issued 1,129 automatic grants, or 8 percent of the 14,374 residential customers with arrearages.<sup>17</sup>

Thus, while substantial numbers of customers are projected as eligible, they have not yet been served and will be harder to reach. Based on existing needs assessment and poverty data, we know that many households are living at or below 200 percent of the Federal Poverty Level (FPL), but have not yet been served through the automatic grant process.<sup>18</sup>

While utilities are now expressing an urgency to proceed with collection activity, it is important to remember that the Commission authorized the doubling of energy assistance funding and the creation of additional programs for COVID-19 relief in October 2020 in Order 01 in this docket. Not until this spring, after the "COVID winter," however, did utilities bring

forward their new arrearage relief programs for April implementation. It is premature to authorize resumption of collection when these programs, and the related outreach, are still in the early phases of implementation.

## 2. Utility systems readiness is in question.

As detailed above, even looking only at the new COVID-19 relief programs, the reports

from several of the companies indicate that distribution of the funds is taking several phases to

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<sup>&</sup>lt;sup>16</sup> U-200281, PacifiCorp Comments and Data Report (April 30, 2021), p. 1 (automatic grants); Attachment A (residential arrearage data).

<sup>&</sup>lt;sup>17</sup> UG-210145, Cascade Natural Gas Data Report for the Commission's May 12 Open Meeting (April 30, 2021)(automatic grants); U-200281, Cascade Response to Commission Request for Covid-19 Data (April 30, 2021) (residential arrearages).

<sup>&</sup>lt;sup>18</sup> A recent needs assessment for PSE conducted by Cadmus projects that 290,000 households in PSE's service territory are living at or below 200 percent FPL. *See* U-180680, *PSE Low-Income Household Needs Assessment*, Prepared for PSE by Cadmus (October 2020), p. 11.

accomplish, with only a portion of the funds distributed to date. As noted in the prior section, the automatic grants had begun at four of the five companies as of the end of April, but the process is ongoing. Only Cascade and Avista reported that they had begun to enroll customers through the manual customer-initiated process.

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In terms of targeted outreach efforts, Avista is taking a "staggered" approach to deployment of energy assistance in its Compassion In Action program which initially targets customers with arrearages over 90 days past due. Avista explains that this is intended to give these customers the opportunity to be first to seek assistance, and that "[s]taggered communications will also help ensure that the Company can respond to elevated phone calls into its Call Center in a timely manner."<sup>19</sup> The Energy Project sees merit in this approach and commends Avista for targeting this group of customers. However, TEP would respectfully submit that the reasons Avista has chosen to use a "staggered" approach lend support to Public Counsel's arguments in favor of Commission reconsideration as a means to allow adequate time for program implementation.

Also particularly notable, in terms of the "readiness" assessment is PSE's statement that:

PSE is considering a number of data and other factors to prioritize which customers may enter the first few rounds of dunning. *It is important as PSE restarts this process that it carefully analyzes the impacts to customer, the call center and the field workforce to ensure PSE is able to meet the demand and provide required service.*<sup>20</sup>

The Energy Project agrees with PSE that this careful analysis is important. The point is that to be effective it should be a pre-requisite to resumption, not something done later on after

<sup>&</sup>lt;sup>19</sup> Avista Comments, April 30, 2021, p. 5.

<sup>&</sup>lt;sup>20</sup> PSE Comments, April 30, 2021, p. 5 (emphasis added).

disconnections have begun. That is the nature of "readiness." PSE's statement appears to indicate that the details of this important analysis are still under consideration and have not been implemented.

### 3. Outreach.

The Commission has been clear that effective outreach is essential to readiness. Consistent with this view, the Commission required companies to provide information about their outreach efforts, including the "specific number of contacts the company made by phone, mail, email, etc."<sup>21</sup> Notably, only Cascade Natural Gas provided the requested detail regarding the actual contacts with customers by the company, notwithstanding that all companies agreed to provide this information at the March 25 Open Meeting.

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While all the companies provided general descriptive statements in their April 30 comments in this docket regarding outreach, these varied significantly in their level of detail. Only PSE provided a complete description of its outreach plans, while other companies provided only a high-level description. As a general matter, even where detail was provided, it is unclear from the company filings what efforts are already under way, when specific elements of the plans will be put into action and how long they would continue, and how areas with vulnerable populations would be specifically targeted. Indeed, Order 03 specifically notes that the "Joint Utilities acknowledge that *outreach to date has been inadequate*.<sup>22</sup>

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Because there was insufficient information provided to the Commission to assess "readiness" regarding the details and timing of these outreach programs, the Commission should

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 <sup>&</sup>lt;sup>21</sup> Dockets UE-210114 et al., Staff Open Meeting Memorandum, March 25, 2001, Attachment A.
<sup>22</sup> Order 03, ¶ 38.

reconsider its resumption order. Of particular concern is the fact that the targeting of outreach to the most vulnerable communities, such as those identified in our zip code analysis, is not clearly defined in many cases.

#### 4. Timing of fund deployment.

While substantial new federal funding for the Low-income Home Energy Assistance Program (LIHEAP) and other programs is being made available to help customers, those funds take time to be deployed to the states and out to the agencies delivering the assistance at the local level. The American Rescue Plan funds were only released by the federal government immediately prior to Order 03's issuance, with almost \$90 million allocated to Washington<sup>23</sup> and are still in the process of being made available for delivery in Washington. Ending the moratorium and resuming disconnection should be synchronized with the availability of the funding all customers to address the arrearage problem.

### B. Clear Evidence Of Disparate Impact Of Collection Practices Was Not Given Adequate Weight

The zip code analysis prepared by TEP and presented for the record shows that residential customer arrearages are concentrated in communities that have been hit particularly hard by the pandemic, have more people of color, higher rates of unemployment and populations in poverty, and have been designated as highly impacted communities by the Department of Health. In particular for these communities, robust outreach efforts will be critical and necessary to distribute funds to remaining hard-to-reach customers.

Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197

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<sup>&</sup>lt;sup>23</sup> https://www.acf.hhs.gov/ocs/policy-guidance/liheap-dcl-2021-05-supplemental-funding-release-fy-21

The following are the key findings of TEP's data analysis:

- There is a strong correlation between the zip codes with the highest arrearages and how they rank on the DOH Environmental Health Disparities (EHD) Map. As noted, the DOH EHD map identifies census tracts designated as Highly Impacted Communities (HIC) under Clean Energy Transformation Act (CETA), and ranks Washington communities according to environmental factors and social and health vulnerability measures that influence health outcomes, including people of color, social vulnerability to COVID-19, unemployment and percent of population in poverty.<sup>24</sup> For example, our review found:
  - PSE's top five zip codes have the highest correlation with people of color and social vulnerability to COVID-19 of any of the IOUs.
  - All of PSE's top five zip codes have areas designated as Highly Impacted Communities (HIC).<sup>25</sup>
  - All of PacifiCorp's top five zip codes have areas that rank highest in the DOH analysis in each of the social and health measures shown in Table 2 of the zip code summaries.

# • A high percentage of residential arrearages are concentrated in only a few zip codes. For example, 21 percent of all PSE residential arrearages come from

<sup>&</sup>lt;sup>24</sup> The DOH EHD mapping tool is part of the DOH Tracking Network (WTN) mapping tool. The EHD includes several socio-economic measures and the WTN includes a measure of "Social Vulnerability to COVID-19." https://fortress.wa.gov/doh/wtn/WTNIBL

<sup>&</sup>lt;sup>25</sup> See, Attachment A, Table 2 in each of the company zip code summaries for a breakdown of the top five zip codes and their DOH social and health vulnerability measures and HIC rankings.

the top 10 (4.3 percent) of PSE's 232 zip codes.<sup>26</sup>

• A high percentage of known low-income arrearages are concentrated in only a few zip codes. For example, for PSE, 26 percent of known low-income residential arrearages come from the top 10 (4.3 percent) of PSE's 232 zip codes.<sup>27</sup> For Avista, 60 percent of known low-income residential arrearages come from the top 10 (9.5 percent) of Avista's 105 zip codes.<sup>28</sup>

Overall, this analysis continues to highlight that customers facing the financial challenges of large unpaid utility bills are disproportionately concentrated in vulnerable, highly impacted, low-income communities, and communities of color. These are the same communities feeling the greatest job and income losses from COVID-19, and the greatest health impacts of the pandemic itself.<sup>29</sup> These are also the communities which it is often most challenging to reach with bill assistance due to language barriers, lack of technology access, and immigration status.

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As noted in the introductory discussion of the King County heat impact map, the effect of the current heat emergency on low-income communities is a timely reminder of how disparate impact affects customers. Electricity service is essential to health and safety both in cold winters and in summer "heat domes." In a heat emergency, customers rely on electricity to run cooling appliances. No customer should be facing collection action and potential disconnection in these conditions. An extension of the moratorium on collection activity until cooler fall weather

<sup>27</sup> Id.

<sup>&</sup>lt;sup>26</sup>See Attachment A, PSE Table 1 for a breakdown of the top 5 zip codes with the highest total residential arrearages.

<sup>&</sup>lt;sup>28</sup> Attachment A, Avista, p. 1.

<sup>&</sup>lt;sup>29</sup> See also, U-200281, Comments of Public Counsel (April 30, 2021), at ¶¶ 10-11.

Simon J. ffitch Attorney at Law 321 High School Rd. NE, Suite D3, Box No. 383 Bainbridge Island, WA 98110 (206) 669-8197

returns is the right public policy choice – putting customer well-being first.

## C. The Need For A Stay Is Urgent

# 1. A stay should be issued to defer collection activity until after the moratorium concludes.

- <sup>32</sup> Under Order 03, utilities were authorized to issue on or about June 1, an initial 30-day notice to all customers announcing that disconnections will resume. It is TEP's understanding that these general "resumption" notices have gone out to customers.
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Upon issuance of the initial 30-day general notice, utility is then allowed to begin collection activity by early July, still during the moratorium. In practical terms, as illustrated in Order 03, Appendix A, as of approximately July 12, the utility can begin to send delinquent customers the required notice of intent to disconnect if payment is not made. This timeline was adopted at the request of the IOUs and is designed to allow disconnection to occur as early as the first business day after the moratorium ends, as early as August 2, 2021. This means that a customer can actually receive a final shut-off notice *while* the disconnection moratorium is still in effect.

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The Commission has announced it will issue its order on reconsideration and stay by June 30. This timing allows the Commission the opportunity to order a stay on any further collection action in July, and to instead direct that collection not resume until after the end of the moratorium, whether that is July 31 or some later date if the moratorium is extended.

The record shows that a substantial number of customers are immediately subject to disconnection. PSE's April 30 comments stated that they have 125,000 customers in "active dunning" and eventually eligible for disconnection. Additionally, PSE filed data showing that

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over 57,000 customers would have been disconnected but for the moratorium, while Avista identified over 22,000 customers in this category. Data filed by the two companies shows that these customers are within zip codes which correlate with highly impacted BIPOC communities.<sup>30</sup> Issuance of a stay will provide necessary protection to these customers while the available relief funding is deployed and outreach is taking place.

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The Energy Project continues to believe that pursuing formal collection action while a moratorium is in place is antithetical to the purpose and spirit of the moratorium, which is designed to ease economic pressures that Washingtonians are experiencing during the pandemic. Allowing the utilities to pursue debt collection activity on a schedule which allows disconnection to occur the very next day after the moratorium ends is contrary to the goal of regulation that utility practices must be fair, just, and reasonable. Whatever date is set for the moratorium to end, collection activity should only be authorized resume after that date.

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While TEP appreciates the Commission establishing a requirement that utilities must notify UTC Consumer Protection about impending disconnections, this protection is only available at the end of the collection process. It does not insulate customers from being the target of debt collection or "dunning" by the utilities during the moratorium, which can itself be harmful and disruptive to low-income households.

<sup>&</sup>lt;sup>30</sup> Public Counsel Petition for Reconsideration and Stay, May 28, 2021, ¶ 7 (referencing data filings by the utilities).

# 2. A stay is needed in order to synchronize UTC action with statewide decisions of the Governor's Office.

Since early 2020, Governor Inslee has imposed a statewide moratorium on all utility disconnections,<sup>31</sup> protecting both IOU and consumer-owned utility customers through July 31, 2021. Because the Governor has the authority to extend the moratorium for all types of state utilities, and has done so on multiple occasions throughout the pandemic, the Commission's July 31 moratorium end date is not certain. Under Order 03, however, we have a scenario where IOUs are pursuing collection and pre-disconnection formal process designed to lead to disconnection in early August, based on the assumption that the statewide moratorium for all utilities will not be extended beyond July 31. That is an unknown however. The much preferable course is for the Commission to stay any further IOU collection activity until after the end of the statewide moratorium, whenever that occurs, thus avoiding any potential conflict or asynchronicity with the Governor's decision, and avoiding potential serious customer confusion.

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This is also the better choice because many communities, as well as individual customers, are served by both IOUs and consumer-owned utilities. In the Seattle metropolitan area, for example, some customers take electric service from Seattle City Light and natural gas service from PSE. It is important to avoid creating an anomalous situation where some customers and services are still subject to a moratorium while similarly situated customers are not.

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Finally, as noted in the Introduction, the rationale behind the Governor's adoption of

<sup>&</sup>lt;sup>31</sup> Proclamations 20-23 (March 18, 2020) and 20-23.1 (March 24, 2020), subsequently extended through current Proclamation 20-23.15 (March 18, 2021)(Ratepayer Assistance and Preservation of Essential Services).

"bridge" protections for tenants until September 30 provides additional support for issuance of a stay in this case to protect utility customers. Granting Public Counsel's request to extend the moratorium and to stay collection can similarly provide a "bridge" to allow relief funds to be fully deployed, to allow utility administrative systems to be ready, and to allow outreach to be more fully implemented.

#### III. CONCLUSION

The record in this case supports Commission reconsideration of the decision in Order 03 to allow collection to resume. All parties and the Commission acknowledge that existing COVID relief funds, in combination with existing bill assistance programs are more than sufficient to cover the past-due balances for eligible households. There is simply no reason to resume collection activity during the existence of moratorium, and no need for customers to face any possibility of disconnection for arrearages. Proper planning and an adequate timeframe are needed for this to be achieved, however. Customers will experience tremendous unnecessary distress, disruption, and negative impacts from being exposed to collection activity for these debts. Unfortunately, premature and unneeded disconnections of households who are eligible for assistance may be the likely result of poor planning, an inadequate implementation period, and a premature effort on behalf of the utilities to return to "business as usual." Evidence presented in this docket shows clearly that the state's most vulnerable and highly impacted communities, particularly communities of color, would experience the greatest harm if the moratorium is not extended and collection activities are allowed to resume.

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Postponing resumption of collection/disconnection by a matter of a few weeks, as Public Counsel recommends, will not cause utilities any identified harm, but on the other hand will be of real and tangible benefit to customers. Rather than allowing collection to take place during the moratorium, the paramount concern and goal in this proceeding should be taking the time needed for the deployment of the more than ample relief funding and for connecting customers to that relief.

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Accordingly, TEP respectfully recommends that the Commission:

- Grant Public Counsel's request to reconsider Order 03 and to extend the disconnection moratorium by at least 60 days, until September 30, 2021.
- At a minimum, whether or not the disconnection moratorium is extended beyond July 31, 2021, grant the petition for stay such that no collection activity may resume until after the end of the moratorium, whatever date is established.<sup>32</sup>

Respectfully submitted,

DATED this 25th day of June, 2021.

Simon J. ffitch

/s/ Simon J. ffitch, WSBA No. 25977 Attorney at Law for The Energy Project

<sup>&</sup>lt;sup>32</sup> If a stay of collection were issued without a moratorium extension, collection activity would begin August 2 (next business day after August 1), with disconnections possible approximately 3 weeks later, after due notice has been provided. Collection would resume October 1 under the Public Counsel recommended extended moratorium through September 30, with disconnection occurring by late October.