



June 19th, 2020

To: Utilities and Transportation Commission Commissioners

Re: Climate Solutions comments relating to COVID-19 Informational Filings

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COMMISSION

Dear Chair Danner, Commissioner Rendahl, and Commissioner Balasbas,

Climate Solutions thanks you for the opportunity to submit comments on utility filings and policy as they relate to COVID-19. Climate Solutions is a clean energy nonprofit organization working to accelerate clean energy solutions to the climate crisis. Throughout the transition to clean energy, it is critical that our structure protects Washington's vulnerable communities from additional harms from the energy system, and ensures that they continue to have access to affordable and clean electricity.

As a regulated monopoly, utilities operate under a regulatory compact with the state and its customers, and companies must serve their customers and set rates in a manner consistent with the public interest. With the passage of the Clean Energy Transformation Act, as well as other laws emphasize the importance of ensuring equity in our energy system, the legislature has clarified that protecting vulnerable communities and promoting public health are clearly in the public interest and are a responsibility of utilities. Our nation is now experiencing an unprecedented health and economic crisis with COVID-19, causing unemployment rates to skyrocket and arrearages to hit historic highs. More than ever during this unprecedented time, utilities must prioritize protections for vulnerable communities that are disproportionately impacted by the pandemic, a group that often overlaps with those previously facing disproportionate impacts from our energy system.

With numerous reports of delayed unemployment payouts and the upcoming expiration of federal Pandemic Unemployment Assistance, many customers are experiencing financial hardship in circumstances that they cannot control, unable to rely on new and existing safety net programs to mitigate the impacts of the pandemic. With these considerations in mind, we recommend that the Commission provide clear guidance to utilities to ease burdens on customers and protect vulnerable populations:

- ***Ensure all low-income and vulnerable households remain connected to essential utility services.*** The Commission should ensure that all low-income and vulnerable customers remain connected to utility services, and provide protections to ensure continued service to these communities. Not having access to essential utility services will only exacerbate the disproportionate impacts of the public health and economic crisis on low-income and vulnerable communities, and utilities should play a role in mitigating these impacts.
- ***Provide flexible repayment programs for customers in arrears.*** Utilities should balance maximizing repayment and mitigating financial hardship on customers that remain unable

to pay their utility bills. Potential options include providing extended payment plans, payment installments, or other mechanisms for assisting impacted customers until they are financially stable enough to make consistent payments.

- ***Waive late fees, reconnection fees, penalties, interest payments, and other costs unrelated to normal delivery of service.*** Enforcing late fees and penalties for nonpayment will also exacerbate the disproportionate impacts to low-income and vulnerable populations, and utilities should waive these penalties for households unable to pay. Additionally, utilities should avoid other punitive measures, such as reporting late payments to credit rating agencies, because these measures will have long-term impacts on customers' financial health.
- ***Expand bill assistance programs that reduce financial obligations on low-income customers,*** as well as other customers impacted by COVID-19 and associated economic distress. The definition of low-income or vulnerable populations may not cover households that are temporarily in arrears because they have lost employment or are experiencing other financial hardship due to the crisis. Utilities should expand their bill assistance program coverage, while also decreasing barriers to accessing the programs and ensuring that customers are aware they exist.
- ***Allow utilities to implement flexible cost recovery mechanisms,*** including recuperating lost revenue associated with arrearage from the broader rate base. Utilities should be allowed to recover their established costs, and if at a later date larger numbers of customer accounts become current, extra funding can be returned to ratepayers at that time.

Climate Solutions thanks you again for the opportunity to comment on utility policy and planning during the public health and economic crisis of COVID-19, and look forward to engaging in this discussion as it moves forward.

Sincerely,



Vlad Gutman-Britten
Washington Director
Climate Solutions