From:	Danner, Dave (UTC)
To:	UTC DL Records Center
Subject:	FW: Call for fairer utility debt collection practices during COVID crisis
Date:	Wednesday, September 23, 2020 4:48:11 PM

Please add to docket in 200281. Thx.

-----Original Message-----
From: Faker, Lisa (UTC) <lisa.faker@utc.wa.gov>
Sent: Wednesday, September 23, 2020 3:57 PM
To: Danner, Dave (UTC) <dave.danner@utc.wa.gov>
Subject: FW: Call for fairer utility debt collection practices during COVID crisis

-----Original Message-----
From: Robert E. Rutkowski <r_e_rutkowski@att.net>
Sent: Wednesday, September 23, 2020 3:54 PM
To: UTC DL Commissioners <Commissioners@utc.wa.gov>
Cc: Keith Abouchar <keith.abouchar@mail.house.gov>
Subject: Call for fairer utility debt collection practices during COVID crisis

David Danner, Chair
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503
commissioners@utc.wa.gov

Re: Call for fairer utility debt collection practices during COVID crisis

Dear Chair:

With thousands of low-income families at risk of having their electricity shut off and being driven into debt by utility bills, a coalition of consumer, environmental and social justice advocates is pushing for systemic reform of utility bill collection practices statewide.

The Washington Utilities and Transportation Commission is considering changes to how private energy utilities are allowed to collect past-due utility bills in the midst of an unprecedented economic crisis driven by the COVID-19 pandemic. The commission will take written public comment on the proposed changes by September 30, with a public hearing scheduled for October 6.

Hundreds of thousands of Washington families and businesses are behind on their utility bills, and the state's moratorium prohibiting utilities from cutting off service is due to lapse Oct. 15, putting thousands at risk of losing access to essential services if they can't pay. In light of this crisis, the coalition is calling for fundamental changes to lessen the energy burden for low-income Washington families, including:

Extending the moratorium on utility shut-offs through the winter to at least April 30, or whenever all the counties in a utility's service territory have been in Phase 4 of Washington's Safe Start Plan.

Setting aside additional funds to cover debt accrued by low-income households during the COVID crisis, erasing all debt for households making less than 200% of the federal poverty level.

Fairer payment plans for all customers and small businesses, including 18-month payment plans for outstanding utility bills.

A prohibition on charging late fees, disconnection fees, reconnection fees, and deposit requirements or reporting to credit agencies if customers fall behind on bills during the current shutoff moratorium and 180 days after. The coalition is also seeking a separate UTC rulemaking process to make these changes permanent.

A requirement that utility executives and shareholders be required to share the economic burden of the COVID crisis through temporary cuts to executive pay and shareholder returns on investment during this crisis.

Rules requiring utilities to improve their data collection and reporting practices to better track the number of low-income customers they serve, and connect people with past-due bills to assistance programs.

Even before this pandemic struck, an estimated 15 million people in this country - including a disproportionate number of Black, Indigenous and communities of color - had difficulty affording utility services. 1 in 5 US households report reducing or forgoing necessities such as food and medicine to pay an energy bill. Nationwide, utility bills are one of the top reasons that people take out predatory payday loans. These energy burdens have only worsened during a pandemic that has had an outsized impact on the financial security and health of Black, Indigenous and communities of color.

Meanwhile, utility CEOs nationwide took home $1 billion between 2017 and
2019 and delivered hundreds of millions of dollars of profit to investors. Puget Sound Energy, Washington state's largest utility, paid out nearly $20 million to its top four executives last year, including almost $12 million to its past CEO. The company made $293 million in earnings in 2019, of which they paid out at least $64 million in dividends to investors, according to filings with the Securities and Exchange Commission.

Meanwhile, customer debt is likely growing amidst the economic fallout of the pandemic and as low-income ratepayers exhaust existing federal bill assistance programs. The UTC has asked the state's investor owned utilities to publicly disclose information by Sept. 30 on the number of customers behind on their bills and the total amount owed.

Last month the UTC oversaw negotiations between utilities and consumer advocates that broke down after utilities insisted that customers needed to cover all additional costs incurred during the pandemic. If utility shareholders and top executives refuse to chip in to cover their lost revenue from COVID, then they are likely to seek to raise rates on customers in the future. Regulators in states like Indiana have denied utilities' similar requests in recent months, while states like Florida have allowed utilities to raise rates to cover losses.

Yours sincerely,
Robert E. Rutkowski

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Comments from coalitions pushing these utility reforms includes Puget Sound Sage, Sierra Club, Front & Centered, 350 Seattle, and the Washington Environmental Council, amongst others.

"Right now, private, investor-owned utilities like Puget Sound Energy are refusing to pay their fair share. They want to put 100% of the costs of the pandemic on ratepayers, even though they can still make a profit.
The UTC has guaranteed PSE's shareholders a 9.4% return on equity and their executives are in Washington's top 1%. Last year, PSE paid their CEO 11 million dollars in compensation. Where is the justice in energy executives and shareholders making millions while working people across Washington state don't know if they'll have a roof over their heads tomorrow?" said Katrina Peterson, Climate Justice Program Manager with Puget Sound Sage. "We

need the UTC to act and require utilities to keep customers connected to power and pay their fair share. Washington state employees are taking a 20% pay cut. Shouldn't PSE's executives and shareholders take a 20% pay cut too?"

"Right now, utility companies want us to think they are struggling during COVID-19, but with the compensation for Puget Sound Energy's executive team reaching 20 million last year, it's clear their definition of struggling doesn't match what so many Washingtonians are really experiencing," said Meg O'Hara, a staff member for 350 Seattle. "No one should have to choose between putting food on the table and keeping the lights on. The UTC needs to require utility companies like PSE to put skin in the game, because if they really care about communities and people, they need to ensure that the impossible decisions so many families are making right now don't keep happening.
Utility companies make massive profits delivering a basic human right.
This was an injustice before the pandemic, and remains an injustice during the pandemic, and it's time we do something about it."

"Even before the dual crises of climate change and COVID-19, utilities made massive amounts of profit from the monthly utility bills of working class people in Washington," said Ruth Sawyer, organizer for the Sierra Club. "It shouldn't be too much to ask that highly paid executives and shareholders chip in to help keep the lights and heat on for thousands of Washingtontians. No one should be driven into poverty because they can't afford an energy bill."