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June 12, 2020

By Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street – Second Floor North
Harrisburg, PA 17120

RE: COVID-19 Customer Service, Billing, and Public Outreach Provisions
Request for Utility Information; Docket No. M-2020-3020055; **PIKE
COUNTY LIGHT & POWER COMPANY'S RESPONSES TO DATA
REQUESTS OF THE BUREAU OF CONSUMER SERVICES**

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission on behalf of Pike County Light & Power Company ("Pike") are the responses to BCS Data Requests, Set I, in the above-captioned matter. These responses are being filed and served electronically only pursuant to the COVID-19 Suspension Emergency Order dated March 20, 2020 and ratified March 26, 2020.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me at (717) 236-1300.

Very truly yours,

/s/ Whitney E. Snyder

Thomas J. Sniscak (Attorney ID No. 33891)
Whitney E. Snyder (Attorney ID No. 316625)

Counsel for Pike County Light & Power Company

WES/das
Enclosures

cc: Tom Charles, Office of Communications (thcharles@pa.gov)
Sarah Dewey, Bureau of Consumer Services (sdewey@pa.gov)



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June 12, 2020

Honorable Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

**Re: COVID-19 Customer Service, Billing, and Public Outreach Provisions
Request for Utility Information
Docket No. M-2020-3020055**

Dear Secretary Chiavetta:

In response to your May 29, 2020 data request seeking information on utility policies and procedures surrounding termination moratoriums, customer assistance, and customer outreach, please find below Pike County Light and Power Company's (PCLP) responses.

As a utility, we have had considerable success, since April of 2019, in reducing the number of our customers that were in significant arrears, being either terminated or on the cusp of termination for non-payment and "bad debt." Since April 2019, PCLP has worked assiduously with our customers by providing education on how and where to access social assistance programs as well establishing reasonable payment agreements to enable customers to keep their electricity and natural gas service and thus, lights and heat functioning. As a result of those efforts, PCLP had experienced a significant reduction of 60-day arrears, and the number of customers receiving ten and three-day termination notices dropped significantly. In May of 2019, 60-day arrears had decreased by 11% from the prior month. These collections efforts allowed PCLP to enter the COVID-19 moratorium in good shape.

Initially, the termination moratorium had a marginal negative effect on the arrears number. However, as time has continued, the 60-day arrears are increasing and the



potential future terminations are increasing accordingly. **In May 2020, the 60-day arrears increased by 23% alone, resulting in over 40% overall increase since March 2020.** The longer the moratorium on termination exists, future terminations will increase because the balance owed by these customers will be less manageable for the customer. The economic impact to a small utility will include increased write offs, negative impact on cash flow, and will result in COVID-19 losses translated into rate case increases. Such termination moratorium increases will spread on to all customer classes, potentially disproportionately impacting those consumers who are just above the poverty threshold.

Currently, the moratorium established in the Chairman's Emergency Order is tied to the Governor's Emergency Declaration. If the Governor's Emergency Declaration and the moratorium extend into September, that would leave just under three months before the winter termination moratorium period commences on December 1, 2020 for customers and the utility to reduce/eliminate the 60-day arrears increase.

PCLP notes that the Governor has rescinded his stay-at-home order. PCLP strongly urges the Commission to evaluate the impacts of a September extension of the moratorium on both the customers and the utilities and reduce the time-frame of the moratorium, so the customers and the utilities are able to reduce their exposure and lessen the chances of the moratorium contributing to rate increases to recover the losses.

PCLP Responses to Data Requests

I. COVID-19 Utility Consumer Service and Billing Policies and Procedures

Commission Question: Describe and report efforts to support customers through initiatives in customer service and billing policies and procedures in response to the COVID-19 pandemic and the ensuing recovery period. Explain how these initiatives differ from normal operations:

PCLP Response: Pike County Light and Power (PCLP) has made efforts to assure customers that their utilities will not be shut-off during the pandemic. Customers have been provided with the available information for avenues of assistance (i.e. LIHEAP and other resources). This does not differ from PCLP's pre-COVID-19 termination procedures and policies to work closely with our customers to ensure they have the most up-to-date information on available resources.

Termination of Utility Service:



- Commission Question: After the Commission’s Emergency Order on Terminations at Docket No. M-2020-3019244 ends, how soon does the utility plan to begin termination of service for nonpayment?

PCLP Response: The Company plans to initiate the service termination process 30 days after the termination of the moratorium.

- Commission Question: How does the utility plan to implement terminations and will it start the process with new termination notices?

PCLP Response: – The Company will commence the termination process with a set of 10-Day Notices that will be mailed seventeen (17) days after the moratorium has expired, and then, subsequent 3-Day Notices will be posted on the premise doors. The physical terminations will begin 30 days after the moratorium is terminated. PCLP will continue to exercise flexibility when assisting customers with the available assistance programs and payment arrangement timelines based on individual customer abilities.

- Commission Question: Broken out by customer class, how many customer accounts may be subject to termination if the Commission’s Emergency Order prohibiting terminations is rescinded and how does this number compare to the same time period in 2019?

PCLP Response: PCLP estimates, as of May 2020, there are approximately 400 consumer accounts in 60-day arrears that could be subject to termination procedures. That compares to approximately 280 consumer accounts in May 2019 – **a 42% increase**.

- Commission Question: Provide these figures for all utility confirmed low-income customers, including Lifeline and Customer Assistance Program (CAP) customers.

PCLP Response: The Company provides two CAPs¹:

- The Good Neighbor Fund, which is a one-time grant, issued to accounts that are experiencing financial hardships through an application process reviewed and approved by the United Way.

¹ Pike is exempt due to its size from implementing a full Customer Assistance Program. However, Pike has these two programs pursuant to Commission Order.



During COVID-19, there have been 4 customers that applied and were ultimately approved for a \$500.00 grant each. There have been no denials during this time.

- The New Start Program issues up to \$250.00 in arrears forgiveness over a period of one year, which is broken up into \$62.50 in credits for every 3 months of on-time payments. There is currently 1 customer enrolled in this program at this time and no customers have been removed.

- Commission Question: Provide future projections if available.

PCLP Response: The Company anticipates an increase in applications for both CAPs when collection efforts increase.

- Commission Question: Is the utility currently assessing a “reconnection fee” to restore service? If yes, how is the fee billed and/or collected? Will this fee apply to customers reconnected under the Commission’s Emergency Order that wish to pay any arrearage and stay connected?

PCLP Response: The Company charges a \$27.00 Reconnection Fee, as outlined in our tariff, however PCLP will be waiving these Reconnection Fees for 60 days from the expiration of the termination moratorium.

Universal Service Programs:

- Commission Question: Is the utility currently removing customers from CAP for non-payment or failure to recertify?

PCLP Response: No, the Company has not removed anyone from CAPs at this time.

- Commission Question: What are the utility’s current Hardship Fund payment requirements to qualify low-income customers for grants (e.g., waiving payment history “good faith payment”, or CAP participation criteria) and have these requirements been revised due to the pandemic?

- PCLP Response: To be eligible for the Good Neighbor Fund, you must be a current PCLP customer and meet the following eligibility requirements:



- Have a hardship and provide documentation dated in the last six months.
 - Have not received two Good Neighbor Fund grants within the past 5 years.
 - Have a monthly income of no more than 200% of the Federal Poverty Level (FPL).
 - Have made a payment of at least one bill amount in the last 12 months, not including LIHEAP or other Government Assistance payments.
 - Have a payment arrangement set up with PCLP at the time the application is filled out for any past due balance.
- To be eligible for the New Start Program, you must be a current PCLP customer and meet the following eligibility requirements:
- Agree to Budget Plan/Payment Agreement to pay the total current arrears over a one-year term. PCLP will estimate what the bills will be over the next 12 months by taking the prior year's usage and dividing that amount by 12. PCLP will also divide the current past due balance by 12 and add those two amounts together to come up with the monthly Budget Plan/Payment Agreement amount.
 - Have not participated in the New Start program within a three-year period.
 - Have a current past due balance of at least \$500.00 that is over 30 days due.
 - Be able to provide proof of income. (Examples: Prior year's tax return, four weeks of pay stubs and/or government benefit letters)
 - Have a monthly income of no more than 250% of the Federal Poverty Level (FPL).

These requirements have not changed because of COVID-19.

Other Assistance Initiatives:

- Describe any policies/procedures the utility has updated to assist customers impacted by the pandemic that go beyond provisions in PUC policies or regulations.



PCLP Response: The Company has taken a relaxed and empathic approach to collections during COVID-19 and worked entirely within what customers were able to pay in lieu of a stricter collections process.

- Describe any proposed or anticipated changes in programs/practices/policies to assist customers impacted by the pandemic after the Governor’s Emergency Proclamation and the PUC Emergency Order on Terminations expire or are lifted.

PCLP Response: The Company is maintaining continued contact with our customers via telephonic and social media to keep them informed of any changes and programs that are provided by national and local government agencies to assist customers manage through the pandemic.

II. Consumer Education and Outreach

- Commission Question: Descriptions and/or examples of how the utilities are educating their customers about their rights and responsibilities, assistance programs, energy efficiency and conservation, and/or COVID-19 recovery.

PCLP Response: The Company is educating customers telephonically, on our website and on Facebook with links to websites, phone numbers for resources, and information regarding programs to help customers with COVID-19 financial hardships. Specifically, PCLP also posted the link and description to encourage commercial customers to apply for the SBA loans and the COVID-19 related LIHEAP crisis funds.

- Commission Question: Efforts to reach all utility consumers with information about income-qualified programs and resources and about non-income-qualified educational services, tools, and resources.

PCLP Response: The Company is educating customers telephonically and on our website and Facebook with links to websites, phone numbers for resources, and information regarding programs to help customers with COVID-19 financial hardships.

- Commission Question: Methods that utilities are using to make their customers aware of important proceedings that may include telephonic public input hearings and allowing consumers to be able to make their voices heard.



PCLP Response: The Company has not participated in that type of outreach.

- Commission Question: Description of utility outreach methods that could be used to inform eligible Pennsylvanians about changes related to COVID-19 in the Lifeline Program for Telephone and Broadband Internet Service.

PCLP Response: Not Applicable to PCLP.

Sincerely,

Steven L. Grandinali
Pike County Light and Power Company

VERIFICATION

I, Steven L. Grandinali, General Manager of Pike County Light and Power Company, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



Steven L. Grandinali
General Manager
Pike County Light and Power Company

Dated: June 12, 2020