



Pennsylvania Rural Electric Association

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August 18, 2020

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Utility Terminations and Consumer Protections; PUC Docket No. M-2020-3019244

Dear Secretary Chiavetta:

The Pennsylvania Rural Electric Association (PREA) submits this letter in response to Pennsylvania Public Utility Commission (PUC) Chairman Gladys Brown Dutrieuille's request seeking comment on the PUC's current moratorium on utility terminations.

Established in 1942, PREA is a not-for-profit service organization headquartered in Harrisburg, Pennsylvania, which serves as the unified voice for 14 member electric cooperatives in Pennsylvania and New Jersey¹. PREA provides its members, among other things, legal assistance, federal and state representation, job training and safety, communications support services for employees, directors and cooperative consumer-members, management training, and legislative analysis and support. These member-owned entities provide power and other services across their respective service areas to more than 230,000 rural households, businesses and industries, representing more than 600,000 consumers. The 13 cooperatives in Pennsylvania own and maintain approximately 12.5% of the electric distribution lines in the state, covering nearly one-third of the Commonwealth's land area in 42 counties.

¹ PREA's Pennsylvania member cooperatives include: Adams Electric Cooperative, Inc.; Bedford Rural Electric Cooperative, Inc.; Central Electric Cooperative, Inc.; Claverack Rural Electric Cooperative, Inc.; New Enterprise Rural Electric Cooperative, Inc.; Northwestern Rural Electric Cooperative Association, Inc.; REA Energy Cooperative, Inc.; Somerset Rural Electric Cooperative, Inc.; Sullivan County Rural Electric Cooperative, Inc.; Tri-County Rural Electric Cooperative, Inc.; United Electric Cooperative, Inc.; Valley Rural Electric Cooperative, Inc.; and Warren Electric Cooperative, Inc. Sussex Rural Electric Cooperative, Inc. is a PREA member cooperative located in New Jersey.

In March of 2020, in response to the COVID-19 pandemic, Pennsylvania's electric cooperatives voluntarily suspended electric disconnections for all of their consumer-members. As not-for-profit, member-owned organizations, this was in the best interest of our communities due to the health and economic impact of the COVID-19 virus.

Although Pennsylvania's electric cooperatives do not fall within the PUC's jurisdiction with respect to their operations, the cooperatives acknowledge that the Commission took a similar step in placing a moratorium on disconnections for jurisdictional utilities. The cooperatives believe this was a prudent measure at that time given the uncertainty surrounding the pandemic and its impact.

Over the past several months, Pennsylvania's electric cooperatives have gained a clearer picture of the impact that COVID-19 has had on their consumer-members. As of July 23, 2020, over 19,000 electric cooperative consumer-members are in arrears on their electric bills. This equates to approximately 8% of all cooperative consumer-members.

More concerning than the total number in arrears is the number of members who are severely behind on their payments. Nearly 4,000 consumer-members are 90 days or more behind on their bills. These members are continuing to accrue debt that has the potential to be a long-term burden on them and their families. As not-for-profit organizations, electric cooperatives are limited in the resources they can provide to help those consumer-members who are falling behind. However, electric cooperatives have instituted programs providing more than \$500,000 to help consumer-members in need during the pandemic. This is in addition to waiving fees and penalties normally associated with arrearages.

It is the belief of Pennsylvania's electric cooperatives that they are at their strongest when rural Pennsylvanians are thriving. What rural Pennsylvanians need most now is support from their government so they can support themselves until the current emergency ends. Although PREA understands that programs such as the Low Income Home Energy Assistance Program (LIHEAP) are not within the jurisdiction of the PUC, we would encourage the PUC to work with the General Assembly and Governor Wolf to increase funds for LIHEAP and other safety net programs so that Pennsylvanians, including electric cooperative consumer-members, can support themselves.

In conclusion, PREA appreciates the opportunity to provide its perspective on the issues related to the moratorium and we thank the PUC for its efforts in addressing these matters in a considered way.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charles E. Thomas, III".

Charles E. Thomas, III
Corporate Counsel