

## Pennsylvania State Grange

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M-2021-3019244

August 14, 2020

Gladys Brown Dutrieuille, Chair Pennsylvania Utility Commission 400 North Street Harrisburg, PA 17120

Dear Chair Brown Dutrieuille:

I am writing you on behalf of the Pennsylvania State Grange, an advocacy group founded in 1873 to promote the well-being of those who live and work in rural PA. Thanks to you and the PUC for providing us this opportunity to comment on Emergency Order at Docket Number M-2020-3019244.

The difficulty faced by the PUC is how to have a moratorium policy that affects a class of people (those who are behind on utility payments because of COVID-19) versus situations where utility customers have had payment problems before COVID-19 and will likely have them long after the crisis. It seems likely that some are using the Emergency Order to their advantage, getting a payment vacation.

One possible solution would be for the PUC to utilize a special review mechanism using utility data to identify those individuals not affected by COVID-19 and assess their situations separately.

Although sounding complicated, getting information on customers who recently became delinquent since March versus those with a pre-COVID delinquent history should be easy.

## What to Do With COVID-19 Delinquencies.

A non-payer may be in that position because of losing his or her job. Assuming that either unemployment compensation or Pandemic Unemployment Compensation Program (or both) are applicable, it is reasonable to expect them to begin repaying some of their utility obligation. The review mechanism could simply query as to their unemployment status and what individual assistance is already being provided through auto-verification. An alternative would be to compare those utility customers with the list of those on unemployment.

The PUC ruling could include a provision stating that someone who is out of work because of COVID-19 would continue to have a payment reprieve unless they were receiving unemployment compensation.

To address the question raised in the PUC's August 10 letter – that of utility customers being burdened with a huge debt because of the end of the payment moratorium – there does need to be a sunset provision. Currently, the PA Department of Health tracks new COVID-19 cases. The PA



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Department of Labor & Industry tracks PA numbers of the unemployed. When the incidences of new COVID-19 cases drop below a threshold or when the unemployment rate decreases to a certain threshold, then the payment moratorium could be lifted. Obviously, the PUC would work with the Governor and PA State agencies to determine what a viable threshold should be.

These are certainly not new as the Department of Health has already used incidence of COVID-19 to decide the red, yellow, and green stages of re-opening. That way, scientific data could trigger the sunset rather than decisions that could be seen as political.

What to Do About the Longer-Term Delinquencies.

Those with a history of delinquency should be responsible for their obligations. The issue of habitual non-payers is important to all utility customers since a utility faces fiscal pressure from services rendered but not paid for. A utility in that position would have little choice but to request rate hikes to the PUC – something that everyone would have to pay for.

Utilities should begin the process to ask that a payment arrangement be made. There should be due process per PA statute and regulations regarding when and how collection may or may not proceed. Individuals could certainly ask for an exception due to a hardship condition. With situations involving seniors, or those with chronic health conditions, the PA Department of Human Services and the PA Department of Aging, could identify and communicate public resources or the PUC rule could be to let the moratorium continue for them until the sunset.

Although well outside the purview of the PUC, those other agencies could research private foundation and corporation COVID-19 sources which are now dedicating their resources to help individuals and families impacted by the pandemic-19 as a way to identify non-public sector funders. Right now, that is the nonprofits' priority and the Commonwealth should take advantage of that window of opportunity.

A side question is how much of the COVID-19 Federal CARES Act money has not been spent. Some of that could be re-allocated for this purpose since the goal is not to cut off utilities to people but to find ways to support the truly needy.

Thank you and the other Commissioners for reviewing our comments. PUC is in a tough spot, having to decide whether or not the moratorium should be continued and if so, how. We hope that our suggestion provides a middle ground.

Sincerely,

Wayne D. Campbell, President Pennsylvania State Grange

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