



ENTERPRISES, INC.

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February 16, 2020

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg PA 17120

**VIA E-FILING**

**RE: Emergency Order re: Establishing Public Utility Service Termination Moratorium;  
Docket No. M-2020-3019244**

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission (“PUC” or “Commission”) are the Comments of Citizens’ Electric Company of Lewisburg, PA, Wellsboro Electric Company and Valley Energy, Inc., in Response to PUC Order Entered on October 13, 2020.

Copies of this filing are being served on parties as shown on the attached Certificate of Service. Per the Commission’s March 20, 2020, Emergency Order, service has been effectuated via email only. Upon lifting of the Emergency Order, we can provide parties with a hard copy of this pleading upon request.

If you have any questions regarding this filing, please feel free to contact the undersigned.

Respectfully submitted,

*Pamela C. Polacek*

Pamela C. Polacek (PA ID No. 78276)

Counsel to Citizens’ Electric Company of Lewisburg, PA,  
Wellsboro Electric Company and Valley Energy, Inc.

C: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Emergency Order Re: Establishing Public Utility :  
Service Termination Moratorium : M-2020-3019244

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**COMMENTS OF CITIZENS' ELECTRIC COMPANY OF LEWISBURG, PA,  
WELLSBORO ELECTRIC COMPANY AND VALLEY ENERGY, INC.  
IN RESPONSE TO PUC ORDER ENTERED ON OCTOBER 13, 2020**

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On October 13, 2020, the Pennsylvania Public Utility Commission (“PUC” or “Commission”) issued an Order rescinding its prior moratorium on public utility service terminations due to the COVID-19 pandemic and setting forth a process for utilities to begin collection activities on past-due amounts. The Commission also invited interested parties to submit comments and proposals by February 16, 2021, regarding the appropriate policies to address non-payment situations as the Commonwealth comes out of the 2020-2021 winter termination moratorium. Citizens’ Electric Company of Lewisburg, PA (“Citizens”), Wellsboro Electric Company (“Wellsboro”) and Valley Energy, Inc. (“Valley”) (collectively, the “C&T Utilities” or “Companies”) hereby submit these Comments.<sup>1</sup>

The C&T Utilities appreciate the opportunity to provide input to the Commission regarding this important issue. The COVID-19 pandemic has impacted various areas of the Commonwealth in different ways and to different degrees. Similarly, the demographics and options available to payment-troubled customers vary throughout the Commonwealth. The assistance options for payment-troubled customers are limited in some rural areas during the

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<sup>1</sup> The C&T Utilities also join in and endorse the Comments submitted by the Energy Association of Pennsylvania.

pandemic, especially since contributions to local charities that offer utility payment help are down. Despite being in different counties, the C&T Utilities undertook similar efforts to contact customers before and after the Commission lifted the moratorium. Throughout the Summer and Fall of 2020, each company sent reminder letters, called delinquent customers to explore payment options and used other means to inform customers that payment assistance was available. Until the Commission lifted the moratorium, those efforts received minimal or no response.

Payment-troubled customers began contacting the C&T Utilities once the termination notices were sent in November 2020.<sup>2</sup> Once the lines of communication were opened, the C&T Utilities worked with customers to access available assistance and to establish payment arrangements. As indicated in the C&T Utilities' monthly reports, only a handful of accounts were terminated, and most of the accounts that were terminated were either subsequently reconnected once the account holder was confirmed or remain terminated because the location is vacant. ***The C&T Utilities view service termination as the absolute last resort and will continue to work with customers to avoid termination.***

Despite the variety of customer assistance options that are available throughout the Commonwealth, there is a common element to most of the programs—namely, most assistance options require the customer to seek help. The C&T Utilities are willing and ready to negotiate payment arrangements and suggest other assistance options to customers with arrearages; however, the Companies can only do so when the customer answers the phone call from our customer service representatives or contacts the office to ask for help. Similarly, the customer must submit the request for assistance to LIHEAP, Dollar Energy, the Salvation Army or other organizations. Renters who have utility service arrearages have a limited window to access \$825

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<sup>2</sup> The additional 10-day notice that the Commission's October 13, 2020 Order mandated did not provoke responses from customers.



million in Federal COVID relief funds under Pennsylvania's recently-passed Act 1 of 2021; however, the customer must apply for this assistance. Unfortunately, the specter of termination is often the most effective incentive to spur many payment-troubled customers to seek help. Returning to the normal collection processes when the 2020-2021 winter moratorium ends will help ensure that payment-troubled customers seek the available assistance programs in their areas and adhere to payment arrangements.

The Commission's suspension of the termination process in March 2020 was an appropriate measure to address the uncertainty confronting the Commonwealth when the COVID-19 pandemic started. On a short-term basis, it achieved an appropriate balance of the stakeholders' interests based on the conditions at that time. As the Commission recognized in its October 13 Order, however, that balance must be revisited periodically. The March 2020 COVID termination moratorium occurred at a critical time when utilities would otherwise be taking steps to assist payment-troubled customers coming out of the 2019-2020 winter termination moratorium. As a result, many of the accounts that had arrearages in March 2020 when the COVID termination moratorium began continued to have arrearages (and in most cases, much larger arrearages) in December 2020 when the current winter termination moratorium took effect. It is not in the public interest or the customers' interests to allow this accumulation of arrearages to continue in 2021.

In addition, the arrearage growth has a detrimental impact on the utilities. Although the Commission has confirmed that increased uncollectible costs can be tracked and claimed for future recovery, the eventual recovery of those costs does not address the immediate impacts on operations and finances as utilities experience the current reduction in revenues. The C&T Utilities also face many incremental costs due to the pandemic, including waived late fees, personal protective equipment costs, additional office cleaning, IT costs to accommodate remote work, overtime and standby pay for employees. It is very difficult for smaller utilities to endure

both increased costs and decreased revenues on a short-term basis while also continuing to invest in reliability and customer-service enhancing projects and making debt service payments.

Following the normal course as the 2020-2021 winter termination moratorium expires will help to slowly return finances to levels that are more sustainable.

Resources exist for utility customers that need assistance with current or past-due payments. LIHEAP has been fully funded by the federal government. Pennsylvania's Act 1 of 2021 addresses how \$825 million in federal COVID relief for rent and utility assistance will be distributed in Pennsylvania. Unemployment benefits and moratoriums on evictions and student loan payments have likewise been extended. The C&T Utilities respectfully submit that the time is appropriate for the Commission to rely on the traditional consumer protections and processes for payment-troubled customers, rather than emergency protections. This includes returning to the traditional process as the 2020-2021 winter termination moratorium expires.

Respectfully submitted,

*Pamela C. Polacek*

By \_\_\_\_\_  
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Company and Valley Energy, Inc.

Date: February 16, 2021

**CERTIFICATE OF SERVICE**

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

**VIA E-MAIL**

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Company and Valley Energy, Inc.

Dated this 16<sup>th</sup> day of February 2021, in Venetia, Pennsylvania.