

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: SUSPENSION OF SERVICE TERMINATIONS :
AND CERTAIN COLLECTIONS ACTIVITIES : DOCKET NO. 5022
DURING THE COVID-19 EMERGENCY :

PUBLIC COMMENT AND REQUEST FOR CONTINUING REVISED ORDER
Submitted by the R.I. Center for Justice
on behalf of the George Wiley Center

On July 15, 2020, the Public Utilities Commission (PUC) ordered that the moratorium on shutoffs for customers eligible for the Narragansett Electric Company d/b/a National Grid’s low-income rate continue through November 1, 2020. The winter moratorium on gas and electric service terminations runs from November 1 to April 15, and on March 19, 2021, the PUC extended the winter moratorium on service disconnections for “protected status” customers of National Grid through 11:59 p.m. on June 25, 2021. Absent a vote to continue or modify the orders, the moratorium will end on 11:59 p.m. June 25, 2021.

BACKGROUND

Since March 2020, the Commission has protected utility consumers suffering economic harm during the pandemic in a variety of different ways and in ways that have been modified as the circumstances of the pandemic have unfolded. The March 2020 Emergency Order, established in this docket pursuant to R.I. Gen. Laws § 39-1-32(a), ceased certain collection activities, placed a moratorium on utility terminations for all customers, provided for revised payment plan options for customers who had fallen behind on their utility bills, and suspended late fees, interest charges, and credit/debit card and ACH fees. These provisions have been modified and continued in a series of subsequent orders in this docket. After September, 2020 the moratorium on terminations was limited to low-income eligible residential customers.

Although the moratorium on service termination, continued by the Commission in March 2021, is set to expire on June 25, 2021, some of the related protective measures ordered in this docket, relating to ongoing temporary alternative payment plans, ongoing temporary expanded access to Arrearage Management, and ongoing temporary suspension of late fees, interest charges, and credit/debit card and ACH fees are still very much needed as the severe economic impact of the pandemic is still harming many Rhode Islanders, and thus it is critical that the Commission order their continuation for residential customers.

In the intervening months federal funding for utility arrearage assistance to eligible Rhode Islanders facing overdue utility bills has been made available by the American Rescue Plan Act. It is imperative that the Commission protect Rhode Islanders from having their utility service terminated *while their applications for federal utility arrearage assistance are pending* by requiring that National Grid file a written plan, as part of a continuing revised Order in this docket. This plan would set forth how the availability of federal utility assistance will be integrated into the billing, notice and service termination processes in a way that protects customers who are eligible for federal utility arrearage funds from being terminated while their applications for utility assistance are being processed and paid.

We therefore request that the Commission issue a revised temporary Order as a continuing response to the ongoing pandemic emergency and resulting economic emergency including the following:

- 1) Written Plan for Assisting Customers to Access Utility Arrearage Assistance Prior to Termination:** Requiring National Grid to file a written plan with the Commission that sets forth how National Grid will coordinate with the Rent Relief RI program in a way that ensures the eligible Rhode Islanders will continue to have uninterrupted access to

utilities while their Rent Relief RI utility arrearage applications and payments are being processed after the moratorium on utility terminations end. Specifically, this plan should include:

- a) Termination notices to include information about help available through Rent Relief RI;
- b) Coordination between National Grid, the Rent Relief RI program and related state agencies to determine eligibility for utility consumers;
- c) A mechanism to place the pending utility termination on hold while the Rent Relief RI application is being reviewed, processed and paid; and
- d) A mechanism to send a new notice to consumers whose arrearages are paid, in part or in full, advising them of the new arrearage amount (if any) and their eligibility for payment plans or access to the Arrearage Management Plan to address any remaining arrearage.

2) Temporary continuation of the modified payment plan terms¹;

¹ Residential customers who have had their services terminated because of nonpayment are entitled to restoration upon satisfaction of these conditions:

- (a) for a customer owing less than \$1000, 10% of the balance owed must be paid and the remainder of that balance must be paid within 18 months;
- (b) for a customer owing at least \$1000 but less than \$2500, 10% of the balance owed must be paid and the remainder of that balance must be paid within 24 months;
- (c) for a customer owing \$2500 or more, 10% of the balance owed must be paid and the remainder of that balance must be paid within 36 months unless the Company chooses to extend such time period

and they paid current bills within time period allowed for by NG (or had commitment by an agency to do so)

- 3) **Temporary continuation of the more flexible terms of participation in the Arrearage Management Plan²,**
- 4) **Temporary continuation of suspension of late fees, interest charges, and credit/debit card and ACH fees for residential customers.**

DISCUSSION:

REQUEST FOR REVISED TEMPORARY CONTINUING PROTECTIONS

The Economic Harm of the Pandemic is Ongoing:

In Executive Order 21-65, issued on June 10, 2021, Governor Daniel J. McKee extended the current State of Emergency through at least July 9, 2021. McKee stated that the “remaining orders provide greater flexibility for participation in civic life, preserve valuable federal benefits [,] and provide additional manpower to fulfill vital public services that are needed to address the lingering effects of COVID-19.”³

² A customer enrolled in an AMP who misses their third payment in their current twelve-month period will not be disenrolled unless they miss another payment in the same 12-month period;

Customers who meet eligibility requirements for the AMP, who would otherwise be scheduled for termination absent docket 5022, may be enrolled in the AMP without need for the electric distribution company termination notice;

Electric distribution companies should implement a different mechanism to identify customers who would be issued a termination notice and thereby become eligible for enrollment in the AMP;

These customers should be offered the AMP when they contact the utility to make payment arrangements.

³ “RI Gov. McKee extended state of emergency despite vaccines, loosening restrictions. Why?”, *Providence Journal*, June 12, 2021. <https://www.providencejournal.com/story/news/local/2021/06/12/why-mckee-keeps-state-emergency-after-vaccines-lifted-restrictions/7651749002/>

The Governor has also issued executive orders relaxing public health and safety restrictions to reflect new CDC guidelines. The Governor and the Rhode Island Department of Health recently announced a new COVID-19 test site consolidation plan, making testing a high priority. The department received twenty million dollars from the Centers for Disease Control and Prevention through the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 to focus on reducing health disparities related to the virus and enhancing testing in minority groups. The State will be targeting vulnerable communities to bring more COVID-19 testing.

Director of Health Nicole Alexander Scott emphasizes, “positivity rate in Rhode Island has gone down and vaccination rates are among the highest in the nation . . . [b]ut the pandemic is not over, and Rhode Islanders need to remain vigilant.”⁴ Despite Rhode Island’s efforts, the state’s cumulative infection rate is the second highest in the nation with 14,366 cases per 100,000 people, following North Dakota with 14,481 cases per 100,000 people.⁵

Roughly 63% of Rhode Islanders have been either fully vaccinated or received at least their first vaccine dose; however, this means nearly 37% of Rhode Island’s population has not yet been vaccinated and are at risk of contracting the virus, particularly in the context of relaxed public health restrictions and aggressive new disease variants. While over 50% of Rhode Islanders who identify as white have received at least one vaccine dose, only 30% and 40% of Black and Latino Rhode Islanders, respectively, have been vaccinated with at least one dose.⁶

⁴ Governor McKee, RIDOH Announce COVID-19 Test Site Consolidation Plan, <https://www.ri.gov/press/view/41373>.

⁵ Statista, <https://www.statista.com/statistics/1109004/coronavirus-covid19-cases-rate-us-americans-by-state/>, (last visited Jun. 22, 2021).

⁶ USA Facts, <https://usafacts.org/visualizations/covid-vaccine-tracker-states/state/rhode-island>, (last visited Jun. 22, 2021).

This health disparity leaves non-white Rhode Islanders more vulnerable to becoming ill if displaced from their homes by utility terminations.

Dr. Katriona Shea, a biology professor at Penn State University, states that vaccines are a driving factor in lowering the positivity rate, but the amount of reduction depends on vaccinations and “non-pharmaceutical interventions,” which include having a habitable living space with heat and water, washing hands, and social distancing.⁷ Abrupt utility shut-offs across the state for non-payment will exacerbate the disproportionate impact of the COVID-19 crisis, and therefore steps must be taken to connect all eligible Rhode Islander to available federal arrearage assistance *before* their utilities are terminated.

As this public comment is being finalized, the CDC’s nationwide moratorium on evicting people from their homes is reported to be extended for an additional month, further evidencing the ongoing nature of the emergency and the desire to provide additional time for rental and utility assistance to reach those who are struggling. Given the acknowledged complexity of standing up multi-million dollar federally funded programs, both rental assistance and utility assistance has been slow to arrive to those who need the help throughout the nation and in Rhode Island. The extension of the national eviction moratorium reflects policy makers’ recognition that more protection is needed until these funds begin to flow more quickly and pay the arrearages of utility consumers and renters.⁸

⁷ “CDC says coronavirus could be under control this summer in U.S. if people get vaccinated and are careful,” *Washington Post*, May 5, 2021. <https://www.washingtonpost.com/health/2021/05/05/pandemic-under-control-this-summer/>

⁸ “The Biden Administration Plans to Extend the Federal Moratorium on Eviction for another month.” *The New York Times*, June 23, 2021. <https://www.nytimes.com/2021/06/23/us/politics/cdc-eviction-moratorium-extended.html>

For all these reasons, although the Commission's emergency moratorium on utility terminations is set to expire on June 25, 2021, Rhode Island is still in a state of emergency, and it is prudent and appropriate for the Commission to require National Grid to continue to take necessary steps to gradually, safely, and effectively return to termination activities while at the same time addressing the lasting COVID-19 public health and economic impacts in the community and maximizing the benefit of available federal aid.

Utility Consumers Otherwise Subject to Termination Need Time to Access Federal Funds and the Rent Relief RI Program Needs Time to Coordinate with National Grid to Pay Arrearages:

Many residential customers who are still recovering from COVID-19 related financial hardships are unaware of their potential eligibility for federal assistance toward utility arrearages incurred during the pandemic. If utility termination actions are permitted to be resumed without a plan for connecting Rhode Islanders to available federal utility arrearage aid, many Rhode Islanders who have suffered economic hardships during the pandemic will be needlessly harmed and exposed to greater risk of illness and further economic and housing dislocation.

Eligible residential customers will lose the opportunity to have some or all of their pandemic-period utility arrearage paid with available federal relief funds, thus adding to the pandemic-related economic crisis not just in these households but in the broader community. Eligible arrearages that are not paid with federal relief funds and which result in a utility termination will predictably become uncollectible, be written off, and elevate post-pandemic utility rates across the wider ratepayer base. By contrast, utility arrears that are paid through the available federal funding will strengthen the revenue collection of the utility and protect all customers from rate increases that would otherwise result from the impact of uncollectible arrearages accumulated during the pandemic.

In April of 2021, Governor McKee launched a new rental assistance program, “Rent Relief RI,” with the intention of providing much needed “stability and assistance” to Rhode Island families who have faced financial hardship during the COVID-19 pandemic.⁹ The funds are available to be used for both rental and utility arrearages and are designed to keep families in their homes, but also to help economically stabilize property owners and the community at large, including utility service providers. The funding for the Rent Relief RI program amounts to nearly \$350 million dollars combining the Emergency Rental Assistance (“ERA1”) funds authorized by Congress in late December 2020 and the Emergency Rental Assistance Program under the American Rescue Plan Act of 2021 (“ERA2” enacted in March of 2021).¹⁰

If eligible, Rhode Island utility consumers can qualify for up to 18 months of utility assistance.¹¹ Arrearages going back to April 1, 2020 can be paid in full in a lump sum by Rent Relief RI on behalf of eligible Rhode Island utility consumers. If the utility consumer remains income eligible after their initial COVID-period arrearage is paid, they can reapply for more help if they are continuing to struggle to pay their utility bills for a total period of up to eighteen months.

For example, if a Rhode Islander lost employment in June 2020 and applied for assistance in June 2021, the full 12-month arrearage can be paid directly to National Grid by Rent Relief RI on behalf of the consumer. If the eligible consumer is still unemployed from July

⁹ Governor McKee Launches New Rental Assistance Program, <https://www.ri.gov/press/view/40799>

¹⁰ <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program>

¹¹ Governor McKee Launches New Rental Assistance Program, <https://www.ri.gov/press/view/40799>

to December 2021, and again falls behind on the utility bill, they can reapply for up to six months of additional support for past due utility bills.

Consumers who are eligible for federal funds through Rent Relief RI should not be terminated from utility services while their Rent Relief RI application is being processed nor during their period of continued eligibility for federal assistance. The purpose of the federal relief program is to keep these consumers connected to utility service. It will be harmful to all ratepayers if carefully constructed and intentional plans are not in place to maximize access to these already allocated federal funds. Every arrearage paid through this program reduces the amount of debt that will otherwise need to be written off as bad debt and thus need to be built into the rate base for all ratepayers.

To be eligible for assistance, Rhode Islanders must demonstrate that their current income is below 80% area median income,¹² that they have experienced a financial hardship—direct or indirect—during COVID-19,¹³ and, for utility assistance, that they have a past due bills.¹⁴

Rent Relief RI has the potential to support tens of thousands of Rhode Islanders to maintain their housing security and uninterrupted access to utilities. This is happening at a time when our entire society has recognized in more acute ways the critical importance of access to heat, light, hot water for hygiene, and electricity for communication and health devices. These are essential for health, survival, education, and employment. This federal aid will enable the utility to receive payment for services while continuing to provide utility access for customers

¹²80 Percent AMI Limits - FY 2020, RI Housing, https://www.rihousing.com/wp-content/uploads/RentReliefRI_80-percent-AMI.pdf.

¹³Who can apply for rent relief? RI Housing, <https://www.rihousing.com/rentreliefri/>.

¹⁴This requirement can be met by providing past due utility bills, eviction notices, or landlord communications. Id.

who have faced substantial financial hardships during the pandemic. National Grid's reported collection effectiveness for low-income customers this month has dropped below ten percent.¹⁵ Actively assisting customers to connect to Rent Relief RI funding is perhaps the most powerful means to strengthen collections.

1) Unprecedented Federal Utility Arrearage Assistance is Available to Rhode Islanders. Those Who Are Eligible for this Assistance Should Not be Terminated from Utility Service While Their Arrearage Assistance Applications are Being Reviewed and Processed. The Commission Should Therefore Require National Grid to Present a Written Plan for Coordination with Rent Relief RI.

As discussed above, ensuring that all eligible Rhode Islanders access federal utility arrearage assistance through Rent Relief RI will have a positive impact on all ratepayers. For this reason, we request that the Commission issue an order requiring National Grid to submit a written plan for integrating their utility termination procedures with the Rent Relief RI program.

The requested elements of such a plan should include addressing the following issues:

- **Notice to All Residential Customers Who May Face Utility Termination of Their Potential Eligibility for Rent Relief RI Utility Arrearage Assistance:**

The plan should detail how National Grid will notify all customers receiving notices of potential termination or termination that they may be eligible for arrearage assistance through Rent Relief RI.

- **Placing Further Termination Action on Hold While Rent Relief RI Applications are Reviewed and Resolved:**

The plan should also describe the process through which a hold will be placed on the utility termination while utility arrearage assistance applications are being reviewed and processed, and if they are deemed eligible, paid. The plan should describe the process for

¹⁵ National Grid Response to PUC's Weekly Data Request, June 15, 2021.

the amount of any arrearage not paid by Rent Relief RI to be recalculated and for consumers to be offered the opportunity to enroll in payment plans or the Arrearage Management Program for any remaining arrearage not covered by Rent Relief RI.

- **Coordinating with Rent Relief RI for Residential Customers Who Have Income Eligibility for Utility Arrearage Assistance up to 80% AMI:**

All residential consumers, including those not yet enrolled in the low-income discount, may be eligible for utility arrearage assistance through Rent Relief RI. This is because many Rhode Islanders have lost their jobs or suffered a reduction in income during the pandemic and may be newly eligible for the low-income discount. Other customers fall in the income range that is above the eligibility for the National Grid low-income discount and below the Rent Relief RI income eligibility of 80% of AMI, which is a higher income threshold. Thus, it is important that all residential customers who receive a notice that they are, or may be, eligible for termination, be informed of the availability of assistance through Rent Relief RI.

The plan should specify the procedure for coordination between Rent Relief RI and National Grid to enable Rent Relief RI to screen residential customers for income eligibility up to 80% AMI *prior* to a termination of utility service if the customer applies for Rent Relief RI assistance.

Rent Relief RI, National Grid, the R.I. Department of Human Services, and the R.I. Department of Labor and Training are already working out protocols to automatically screen and pay arrearages for customers who have a pandemic-period utility arrearage and who are known to be low-income eligible. However, the National Grid plan should describe how customers who are not already designated as low-income

eligible will be notified that they can apply for arrearage support through Rent Relief RI and that further action on their termination of service will be deferred until their application for assistance is resolved and acted upon.

2) The Commission should extend the protections and enhanced payment plans issued in prior orders for all residential customers.

The Commission has made tremendous efforts since March 2020 to protect the state's health and economic wellbeing. Certain elements of these efforts should not come to a premature end while Rhode Islanders and the Rhode Island economy are struggling to find their footing. In Orders 23786, 23836, and 23866, the Commission established enhanced payment plans, which assisted eligible consumers who had been terminated or were at risk of a service termination, to regain service under certain conditions. The temporary continuation of these pandemic-period payment plans is essential to Rhode Island's ongoing economic, health and safety recovery. Similarly, the continued suspension of late fees and interest, debit/credit card and ACH fees and the temporary continuation of more flexible participation terms for the Arrearage Management Plan should be maintained in a continued revised Order of the Commission in this docket.

It is well-established that the federal aid for utility arrearages that has entered our state has not yet reached Rhode Islanders in need at scale. Continuing these economic protections and enhanced payment plans for customers who are applying for utility arrearage assistance, or getting back on their feet and paying toward pandemic-period arrearages on their own, will support the state's economic recovery from this ongoing emergency. As of June 12, 2021, a total of 142,850 residential customers, including low-income residents, had arrearages with National Grid. According to the PUC's Weekly Data Request for National Grid, 1,769 residential

customers were on AMP plans, roughly 92% of whom were low-income residents. Additionally, 17,332 non-low-income residents and 4,371 low-income residents were on general payment plans.

Federal relief funds are authorized through 2022 and beyond. Requiring National Grid to file a federal relief implementation and coordination plan and extending temporary payment plan, AMP, and auxiliary fee protection measures is critical at this time. These temporary protections should be reviewed later in the year to determine whether their continuation is warranted. It is clearly warranted at this time as federal help is only beginning to have an impact in our state's economic recovery and the economic recovery of Rhode Islanders who need help from these programs.

CONCLUSION

When the moratorium on utility terminations for low-income consumers expires it is vital that the Commission issue a revised Order requiring National Grid to provide a detailed plan for ensuring notice of the federally funded utility arrearage assistance to all residential consumers who may face utility termination. Rent Relief RI should be integrated as a key component of National Grid's revised pandemic-period residential customer termination process to help mitigate the lingering effects of COVID-19. The State of Rhode Island is still in a state of emergency and the state's economy and residents desperately need the Commission to take action to ensure close coordination between National Grid and Rent Relief RI and to continue some related pandemic-period enhancements to payment plans, the Arrearage Management Program and suspended fees to support the state's recovery from this crisis.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jennifer L. Wood", is centered on a light beige rectangular background. The signature is written in a cursive, flowing style.

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