

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. M-100, SUB 158  
DOCKET NO. E-2, SUB 1228  
DOCKET NO. E-7, SUB 1236  
DOCKET NO. E-22, SUB 583  
DOCKET NO. G-5, SUB 617  
DOCKET NO. G-9, SUB 767

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

|   |   |                 |
|---|---|-----------------|
| In the Matter of                            | ) |                 |
| Investigation of Necessary and Appropriate  | ) | ADDITIONAL      |
| Responses to the Novel Coronavirus COVID-19 | ) | COMMENTS OF THE |
|   | ) | PUBLIC STAFF    |

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission (Public Staff), by and through its Executive Director, Christopher J. Ayers, respectfully submits its additional comments as provided for in the Commission's February 23, 2021, *Order Suspending Disconnections and Providing for Extended Repayment Plans for Certain Vulnerable Residential Customers and Requiring Door Hanger Notices* (February 23 Order). The February 23 Order stated in decretal paragraph 7 that the Public Staff is granted leave to file additional comments as requested in its January 7, 2021 Initial Comments.

1. The Public Staff filed its Initial Comments in response to the Commission's *Order Requiring Additional Information on Residential Disconnections, Arrearages, and Payment Plans During the COVID-19 State of Emergency*, issued in the above-captioned dockets on December 23, 2020 (Additional Information Order).

2. In the Additional Information Order, the Commission stated that it continues to monitor the monthly reports submitted by utilities. The Commission also acknowledged that the COVID-19 State of Emergency remains in effect, some customers continue to have difficulty paying their utility bills, and utilities have resumed disconnections.

3. The Commission's Additional Information Order further stated that it had questions regarding the utilities' disconnection practices and experiences, bill arrearages, and payment plans that cannot easily be answered via the utilities' monthly reporting survey forms. Therefore, the Commission required the utilities identified in the Additional Information Order<sup>1</sup> to answer 14 questions enumerated in its Order, by January 7, 2021.

4. Ordering paragraph two of the Commission's Additional Information Order also stated that the Public Staff may file comments addressing the issues described therein as well as any complaints received from residential customers for the period September through December 2020 regarding monthly bills, arrearages, payment plans, and disconnection-related issues.

5. On December 31, 2020, Duke Energy Carolinas (DEC), Duke Energy Progress (DEP), and Piedmont Natural Gas Company, Inc. (Piedmont) filed a Motion for Extension requesting a seven-day extension of time from January 7 to January 14, 2021 to file their responses to the Commission's

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<sup>1</sup> Duke Energy Carolinas, LLC (DEC), Duke Energy Progress, LLC (DEP), Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina (DENC), Piedmont Natural Gas Company, Inc. (PNG), Public Service Company of North Carolina, Inc. d/b/a Dominion Energy North Carolina (PSNC), Carolina Water Service, Inc. of North Carolina (CWS), and Aqua North Carolina, Inc. (Aqua)

questions. After informal discussions with Commission Staff, counsel for DEC, DEP and Piedmont agreed that all of the companies could answer Question Nos. 1, 2, 4, 7, 10, 11, 12 and 14 by the time prescribed and, therefore, did not need an extension to answer those questions; however, DEC and DEP needed the requested additional time to answer the remaining questions. By Order dated January 5, 2021, the Commission therefore granted the one-week extension of time for DEC and DEP to respond to Question Nos. 3, 5, 6, 8, 9 and 13.

6. On January 7, 2021, all of the utilities, except DEC and DEP filed responses to all of the questions posed in the Additional Information Order. The Public Staff filed comments on that date requesting leave to file additional comments, as appropriate, after all utilities have filed complete responses to the Commission's questions and the Public Staff has had an opportunity to review and conduct any necessary follow up with the Companies.

7. On January 14, 2021, DEC and DEP filed responses to the Commission's remaining questions.

8. On February 11, 2021, DEC, DEP and Piedmont Natural Gas filed a Notification of Change to Winter Moratorium.

9. On February 23, 2021, the Commission issued an *Order Suspending Disconnections and Providing for Extended Repayment Plans for Certain Vulnerable Residential Customers and Requiring Door Hanger Notices* (February 23 Order). The February 23 Order stated in decretal paragraph 7 that the Public Staff is granted leave to file additional comments as requested in its January 7, 2021 Initial Comments.

10. On March 24, 2021, The Commission issued an *Order Extending Door Hanger Notice Requirement* (Door Hanger Order), stating it continues to monitor the impacts of the pandemic on customers and public utilities and noting that North Carolinians continue to fall behind on their utility bills. The Commission went on to say that these issues concern the Commission and with the expiration of the winter disconnect moratorium on March 31, 2021, that it is likely residential disconnections will increase. Due to that likelihood, the Commission found good cause to extend through June 30, 2021, the requirement that DEC, DEP, Dominion Energy North Carolina, Piedmont, Public Service Company of North Carolina Inc., Water Service, Inc. of North Carolina, and Aqua North Carolina, Inc. place a service disconnect door hanger at all residences within 24 to 36 hours prior to disconnection, advising residential customers of their options to avoid disconnection. The Commission also strongly urged the public utilities to be flexible in working with all customers during and after the State of Emergency, particularly the customers most vulnerable to COVID-19-related hardship and to make every possible effort to accept and enable customer use of all federal, state, and nonprofit assistance programs to limit customer disconnections to the greatest extent possible.

11. On March 26, 2021, the North Carolina Justice Center (Justice Center) and Legal Aid of North Carolina (Legal Aid) filed a letter urging the Commission to build upon its February 23 Order by extending the Winter Moratorium from March 31, 2021 to June 30, 2021.

## DISCUSSION

### Complaints Received by the Public Staff

12. The Public Staff's Consumer Services Division tracks all jurisdictional complaint calls, including those regarding service disconnections and repayment plans. The number of complaint calls related to service disconnections and repayment plans have been steadily increasing since the end of the disconnect moratorium. Since the filing of the Public Staff's Initial Comments, the Public Staff's Consumer Services Division has generated individual reports for the months of January and February, 2021, which provide information on the following: report on Total Complaints by utility, which includes calls regarding all issues; report on Total Disconnects by utility, which includes calls from residential customers who have had their service disconnected or who face disconnection; and a report on Total Payment Arrangements by utility, which includes customer requests for new, modified or reinstatement of their repayment plans. These reports are attached hereto as Exhibits A (January Reports), and B (February Reports). The reports indicate significantly more complaints filed against DEC and DEP when compared to the other regulated utilities.

13. The below chart reflects the total number of complaints received by the Consumer Services Division from September 2020 through February 2021.

|   | SEPT | OCT | NOV | DEC | JAN       | FEB        |
|---|------|-----|-----|-----|-----------|------------|
| <b>Total Complaints</b>                       | 141  | 198 | 263 | 337 | 327       | 427        |
| <b>Disconnects</b>                            | 2    | 7   | 38  | 55  | 65        | 72         |
| <b>Payment Arrangements (PA) / Modify PAs</b> | 4    | 16  | 16  | 81  | <b>96</b> | <b>109</b> |

It should be noted that the Consumer Services Division intakes a customer complaint only after the customer has contacted the utility directly and been unable to resolve the issue. Therefore, the numbers shown in Exhibits A and B are all customers who have already spoken to a CSR and were unable to resolve their issue.

#### Public Staff's Review and Disconnections Since End of Moratorium

14. In addition to the utilities' monthly reports filed in the Sub 158 Docket, the Public Staff continues to review the monthly disconnection reports that are required to be filed by regulated electric and natural gas utilities in Docket No. M-100, Sub 61A. The Public Staff has been analyzing disconnections since the end of the disconnection moratorium as compared to the number of disconnections in prior years. Attached as Exhibit C is a table comparing all disconnections made by the utilities during the pandemic and the last two years.

15. Since the filing of the utilities' responses to all of the questions posed by the Commission in its Additional Information Order, the Public Staff has been especially concerned with the total number of disconnections made by DEC and

DEP, as compared to disconnections of the other utilities, since the moratorium on disconnections was lifted by the Commission.

16. The Public Staff has also been concerned with the complaints and concerns expressed by customers regarding the disconnection practices and procedures of DEC and DEP. As expressed in its initial comments, the Public Staff's Consumer Services Division receives complaints from customers who have been unable to resolve complaints, particularly disconnections, with company customer service representatives (CSRs). A vast majority of complaints regarding disconnection and/or repayment plans are from the customers of DEC and DEP, which combined serve more customers than other utilities in the state (approximately 3.5 million customers, which equates to approximately 7 million people in the state). The Public Staff has therefore spent significant time investigating and following up on DEC and DEP complaints.

17. Since January 14, 2021, the Public Staff has sent data requests and had several informal and formal discussions with DEC and DEP regarding complaints the Public Staff has received as well as complaints received from other sources.

18. The Public Staff also had several discussions with DEC and DEP regarding their proposed expansion of the winter disconnection moratorium, which was filed by DEC, DEP and Piedmont on February 11, 2021.

19. Additionally, the Public Staff has engaged in discussions with other organizations that have received complaints from customers regarding disconnections. In response to inquiries regarding complaints, DEC and DEP

arranged a meeting with the Public Staff, the Justice Center, Legal Aid, and the Attorney General's office.

#### Public Staff Recommendations

20. In response to DEC and DEP's answer to question 13(b) of the questions posed by the Commission's Additional Information Order, there were 6,300 DEP residential customers disconnected in December and 1,582 of those customers were disconnected for more than four days; however, 896 had not sought to restore service. In response to the same question, DEC reported that 2,119 residential accounts were disconnected in December for more than 4 days; however, 1,860 accounts had not sought to restore service as of January 12, 2021.

21. DEC and DEP, and Piedmont stated they were going to implement a pilot program to contact its North Carolina customers that remain disconnected and the outreach will direct disconnected customers to call an 800-number for assistance. The Public Staff likes this proactive approach and looks forward to being informed regarding DEC and DEP's implementation of the pilot program.

22. The Public Staff has determined through its review of complaints from DEC and DEP customers that in a few cases, Duke's CSRs have at times not provided correct information to customers, relating to disconnections and payment plan arrangements, and often refer customers to the Public Staff's Consumer Services Division when they determine the company cannot resolve a situation.



23. The Public Staff recommends that DEC, DEP, and all other utilities make extra efforts to ensure their CSRs are properly trained, by ensuring that they are aware of the Commission's latest requirements and goals and a list of all assistance programs that may be available to help customers with their arrearages.

24. Many times, DEC and DEP customers contact the Public Staff Consumer Services Division before or after being disconnected when they need to modify their payment arrangements made with the Company either because they simply need a few extra days to pay due to when they expect a paycheck or when they expect funds from assistance agencies. The Public Staff's analysts are usually able to talk with their counterparts at the companies and obtain extensions of service or negotiate payment arrangement modifications. The Public Staff echoes the Commission's Door Hanger Order in recommending that the Company CSRs make extra efforts to modify payment arrangements without the customers having to contact the Public Staff's CS Division before they are disconnected, especially during periods of extremely cold or hot weather. The Public Staff believes that many of the complaints it receives could be eliminated if utilities ensure that their CSRs convey clear and accurate information about customer accounts, repayment options, and available assistance programs to the customers.

25. The Public Staff commends DEC, DEP and Piedmont for their decision to broaden the winter disconnection moratorium to include all LIEAP and CIP beneficiaries. DEC and DEP have recently informed the Public Staff that they

are working on another proposal, which would further extend its disconnection moratorium with respect to certain customers.

The Public Staff also applauds the Commission for its February 23 Order further expanding the winter disconnection moratorium to all of the largest regulated utilities in the state, expanding the eligibility criteria proposed by DEC, DEP and Piedmont, and requiring additional customer protections, including opt-out payment plans with 18-month terms and on-premises notices. The Public Staff notes, however, that the winter disconnection moratorium ends March 31, 2021, and there is insufficient time for additional customers who might qualify for the expanded protection to navigate the application process to determine if they indeed will be approved.

26. Due to the apparent gap between when the expanded disconnection moratorium ends and when our state's yet unidentified vulnerable customers will be able to determine if they qualify for assistance and actually have access to assistance, the Public Staff recommends that the utilities and the Commission consider expanding the moratorium beyond March 31, 2021. An expansion of the moratorium would enable vulnerable customers additional time to apply for and receive assistance from the LIEAP, CIP, HOPE or other programs so that they might be able to pay outstanding bills and realistically meet the terms of payment arrangement agreements. Indeed, as stated above, most of the complaints received by the Public Staff's Consumer Services Division are from customers who need modifications to their payment arrangement agreements with the utility.

27. North Carolina is still under a COVID-19 State of Emergency. Although the numbers of coronavirus cases have improved, COVID-19 vaccines are now available, and an economic stimulus bill<sup>2</sup> has recently been passed by Congress, there will still be a gap in when customers in dire financial situations receive benefits and begin to catch up with paying off their significant arrearages. While stimulus funds are being dispersed to individuals, many details of the implementation of the bill are still being determined by various federal government agencies. Section 9901 of the bill says that states must file for certification in order to receive funds and that payments to the states must be made within 60 days after receipt of certification. This means North Carolina will not receive its funds until May 11<sup>th3</sup> if the certification paperwork were submitted to the federal government on the day the bill was passed. These funds as well other disbursements to non-governmental organizations will be critical in helping low-income families recover from the hardships created by the pandemic.

28. As noted above, DEC, DEP and Piedmont have made a good step forward in attempting to provide more grace to struggling customers, the Public Staff would like to see the utilities come up with more creative ways to extend eligibility beyond what has been offered to date. The Public Staff would like the companies to consider the following: establishing company/shareholder-funded bill payment assistance programs in addition to the energy efficiency programs offered income-qualified customers, as utilities in other states have done; giving all

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<sup>2</sup> The American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package, was signed by President Joseph Biden on March 11, 2021.

<sup>3</sup> HR 1319 § 9901(b)(6)(a)(i).

customers the option of having deposits applied and or interest accumulated on customer deposits applied to their bills. Moreover, utilities should advise customers that they are entitled to request that the interest on their deposits, which accrues annually, could be credited to the customer's bill pursuant to Commission Rule R12-4(c)<sup>4</sup>.

29. The Public Staff agrees with the letter written by the Justice Center and Legal Aid that an extension of the moratorium would serve to bridge the gap between the current situations of customers having difficulty paying their bills and when the economy recovers from the State of Emergency and/or when a substantial percentage of our state's citizens has received COVID vaccinations. President Biden has stated that there should be enough vaccines available for every adult in the country by the end of May<sup>5</sup> and Governor Cooper has recently announced that all adults will be eligible to receive a vaccine starting April 1<sup>st</sup><sup>6</sup>. It will, however, take time for people to receive the vaccinations. Further, as the Justice Center and Legal Aid state in their letter, millions of dollars of federal assistance remain to be distributed and extending the moratorium would allow those funds a chance to reach those most affected by the pandemic. The Public

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<sup>4</sup> Rule R12-4 (c) provides: "Each utility shall pay interest on any deposit held more than ninety (90) days at the rate of eight percent per annum. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to the customer by deducting such interest from the amount of the next bill for service following the accrual date. A utility shall pay interest on a deposit beginning with the 91st day after it is collected and continuing until such deposit is lawfully tendered back to the customer by first-class mail, or to his legal representative or until it escheats to the State, with accrued interest."

<sup>5</sup> <https://www.cnn.com/2021/03/02/politics/biden-merck-johnson--johnson-vaccine/index.html>

<sup>6</sup> <https://www.wral.com/coronavirus/vaccine-schedule-accelerating-again-with-all-nc-adults-eligible-for-shots-in-2-weeks/19594036/>

Staff agrees with the Justice Center and Legal Aid that June 30, 2021 would be an appropriate timeframe for the moratorium extension and the Commission could reassess the progress of the public health and economic recovery at that time.

30. The Public Staff intends to continue to monitor all of the utilities' disconnection activities and investigate, as necessary, to assess whether and to what extent companies are making every effort to inform and assist customers in maintaining service, especially during the continuing COVID-19 State of Emergency.

WHEREFORE, the Public Staff respectfully requests that the Commission take the foregoing comments and recommendations into consideration in its findings for this docket.

Respectfully submitted, this the 29th day of March, 2021.

PUBLIC STAFF  
Christopher J. Ayers  
Executive Director

Dianna W. Downey  
Chief Counsel

Electronically submitted  
/s/ Gina C. Holt  
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## CERTIFICATE OF SERVICE

I do hereby certify that I have this day served a copy of the foregoing upon each of the parties of record in this proceeding or their attorneys of record by emailing them an electronic copy or by causing a paper copy of the same to be hand-delivered or deposited in the United States Mail, postage prepaid, properly addressed to each.

This the 29th day of March 2021.

Electronically submitted  
/s/ Gina C. Holt



**EXHIBIT A**

January 2021

| COMPANY             | Total Complaints | Disconnection/Non Pay | Payment Arrangement | Revise Existing Payment Arrangements |
|---------------------|------------------|-----------------------|---------------------|--------------------------------------|
| AT&T                | 3                | 0                     | 0                   | 0                                    |
| Aqua                | 10               | 4                     | 0                   | 0                                    |
| Century Link        | 7                | 1                     | 0                   | 0                                    |
| CWS                 | 7                | 0                     | 0                   | 0                                    |
| Dominion            | 0                | 0                     | 0                   | 0                                    |
| DEC                 | 159              | 36                    | 39                  | 20                                   |
| DEP                 | 98               | 22                    | 29                  | 7                                    |
| Piedmont            | 21               |                       | 1                   |                                      |
| PSNC                | 2                | 2                     | 0                   | 0                                    |
| Windstream          | 2                | 0                     | 0                   | 0                                    |
| Other-non regulated | 18               | N/A                   | N/A                 | N/A                                  |
| TOTAL               | 327              | 65                    | 69                  | 27                                   |





**EXHIBIT B**  
February 2021

| COMPANY             | Total Complaints | Disconnection/Non Pay | Payment Arrangement | Revise Existing Payment Arrangements |
|---------------------|------------------|-----------------------|---------------------|--------------------------------------|
| AT&T                | 3                | 0                     | 0                   | 0                                    |
| Aqua                | 10               | 0                     | 0                   | 0                                    |
| Century Link        | 5                | 0                     | 0                   | 0                                    |
| CWS                 | 0                | 0                     | 0                   | 0                                    |
| Dominion            | 10               | 1                     | 2                   | 1                                    |
| DEC                 | 170              | 31                    | 43                  | 9                                    |
| DEP                 | 134              | 35                    | 40                  | 5                                    |
| Frontier            | 2                | 0                     | 0                   | 0                                    |
| North State         | 1                | 0                     | 0                   | 0                                    |
| Piedmont            | 47               | 4                     | 7                   | 1                                    |
| PSNC                | 5                | 1                     | 1                   | 0                                    |
| Windstream          | 1                | 0                     | 0                   | 0                                    |
| Other-non regulated | 39               | 0                     | 0                   | 0                                    |
| <b>TOTAL</b>        | 427              | 72                    | 93                  | 16                                   |



## Residential Disconnections

### Duke Energy Carolinas

|               | 2018   | 2019   | 2020   | 2021  |
|---------------|--------|--------|--------|-------|
| January       | 8,485  | 11,093 | 11,276 | 9,313 |
| February      | 11,528 | 13,921 | 10,752 | **    |
| March         | 11,052 | 13,194 | 5,979* |       |
| April         | 14,625 | 15,068 | 0      |       |
| May           | 13,604 | 13,588 | 0      |       |
| June          | 11,899 | 10,255 | 0      |       |
| July          | 12,217 | 5,766  | 0      |       |
| August        | 14,009 | 10,876 | 0      |       |
| September     | 5,197  | 10,954 | 0      |       |
| October       | 14,873 | 12,156 | 0      |       |
| November      | 12,229 | 9,417  | 4,185  |       |
| December      | 5,072  | 8,329  | 5,537  |       |
| Average month | 11,233 | 11,218 | 3,145  |       |

\*Suspended Disconnections on March 13<sup>th</sup>

\*\*Not Available as of the Date of this filing

### Duke Energy Progress

|               | 2018  | 2019   | 2020   | 2021  |
|---------------|-------|--------|--------|-------|
| January       | 4,536 | 5,323  | 8,260  | 7,248 |
| February      | 5,535 | 5,896  | 8,893  | **    |
| March         | 4,975 | 6,436  | 4,021* |       |
| April         | 5,977 | 6,502  | 0      |       |
| May           | 5,401 | 6,423  | 0      |       |
| June          | 4,331 | 6,724  | 0      |       |
| July          | 3,659 | 6,901  | 0      |       |
| August        | 4,280 | 8,274  | 0      |       |
| September     | 923   | 9,359  | 0      |       |
| October       | 3,327 | 11,524 | 0      |       |
| November      | 4,351 | 8,992  | 12,776 |       |
| December      | 1,920 | 7,997  | 6,309  |       |
| Average Month | 4,101 | 7,529  | 3,355  |       |

\*Suspended Disconnections on March 13<sup>th</sup>

\*\*Not Available as of the Date of this filing

**Piedmont Natural Gas**

|                        | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> |
|------------------------|-------------|-------------|-------------|-------------|
| <b>January</b>         | 882         | 1,234       | 1,043       | 763         |
| <b>February</b>        | 2,835       | 3,058       | 2,220       | 629         |
| <b>March</b>           | 2,636       | 2,369       | 1,112*      |             |
| <b>April</b>           | 4,592       | 4,769       | 0           |             |
| <b>May</b>             | 6,235       | 3,845       | 0           |             |
| <b>June</b>            | 5,229       | 3,791       | 0           |             |
| <b>July</b>            | 4,262       | 3,707       | 0           |             |
| <b>August</b>          | 4,703       | 2,462       | 0           |             |
| <b>September</b>       | 675         | 1,658       | 0           |             |
| <b>October</b>         | 1,901       | 1,395       | 0           |             |
| <b>November</b>        | 589         | 189         | 602         |             |
| <b>December</b>        | 394         | 391         | 0           |             |
| <b>Average Monthly</b> | 2,911       | 2,406       | 415         |             |

\*Represents Disconnections between March 2 and March 12, 2020

**Dominion Energy North Carolina**

|                        | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> |
|------------------------|-------------|-------------|-------------|-------------|
| <b>January</b>         | 238         | 234         | 331         | 0           |
| <b>February</b>        | 588         | 523         | 452         | 29          |
| <b>March</b>           | 385         | 298         | 245         |             |
| <b>April</b>           | 663         | 637         | 0           |             |
| <b>May</b>             | 629         | 350         | 0           |             |
| <b>June</b>            | 522         | 471         | 0           |             |
| <b>July</b>            | 619         | 505         | 0           |             |
| <b>August</b>          | 482         | 358         | 0           |             |
| <b>September</b>       | 459         | 353         | 0           |             |
| <b>October</b>         | 791         | 557         | 0           |             |
| <b>November</b>        | 500         | 296         | 5           |             |
| <b>December</b>        | 203         | 233         | 22          |             |
| <b>Average Monthly</b> | 507         | 401         | 88          |             |

**Public Service North Carolina**

|                      | <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> |
|----------------------|-------------|-------------|-------------|-------------|
| <b>January</b>       | 1,092       | 1,332       | 1,768       | 825         |
| <b>February</b>      | 2,252       | 2,318       | 2,549       | 984         |
| <b>March</b>         | 2,715       | 2,608       | 1,298       |             |
| <b>April</b>         | 2,760       | 3,889       | 0           |             |
| <b>May</b>           | 3,297       |             | 0           |             |
| <b>June</b>          | 2,474       | 2,370       | 0           |             |
| <b>July</b>          | 1,597       | 1,322       | 0           |             |
| <b>August</b>        | 1,238       | 1,065       | 0           |             |
| <b>September</b>     | 587         | 925         | 0           |             |
| <b>October</b>       | 925         | 849         | 679         |             |
| <b>November</b>      | 711         | 615         | 2,316       |             |
| <b>December</b>      | 507         | 549         | 987         |             |
| <b>Average Month</b> | 1,680       | 1,804       | 800         |             |