

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. M-100, SUB 158

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Investigation of Necessary and Appropriate Responses to the Novel Coronavirus COVID-19)))))	ORDER ACCEPTING NOTICE OF EXPIRATION OF EXPANDED WINTER MORATORIUM AND PAYMENT ARRANGEMENTS FOR VULNERABLE CUSTOMERS
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BY THE COMMISSION: On March 11, 2022, Duke Energy Progress, LLC (DEP), Duke Energy Carolinas, LLC (DEC), and Piedmont Natural Gas Company, Inc. (Piedmont, and together with DEP and DEC, the Duke Utilities) collectively filed a letter in the above-captioned docket stating that under normal circumstances, pursuant to Commission Rules R12-11(l)(6) and R12-10(h)(6), the Duke Utilities' residential customers in North Carolina qualify for a disconnection moratorium from November 1 to March 31 if they meet all of the following requirements: (1) their household is certified by the local social service office which administers the Energy Crisis Assistance Program or other similar programs as being eligible to receive assistance under such programs (e.g., Low Income Energy Assistance Program eligible) whether those funds are available or not, (2) they are suffering financial hardship that prevents them from being able to afford their bills or a 6-month payment arrangement, and (3) they have a household member who is handicapped or elderly (65 or older) or both (Winter Moratorium).

The Duke Utilities have voluntarily expanded and extended the Winter Moratorium outlined in Commission Rules R12-11 and R12-10 to prevent approximately 114,000 vulnerable customers from disconnection of their respective electric utility service or natural gas utility service for nonpayment. The Duke Utilities' letter outlines four voluntary expansion/extensions by the Duke Utilities of the Winter Moratorium spanning on or about February 11, 2021, through the present. The Duke Utilities also state that all customers enrolled in the moratorium as of October 1, 2021, were sent a letter notifying them that their arrearages may be eligible to be paid by Low-Income Energy Assistance Program (LIEAP), the Crisis Intervention Program (CIP), or the North Carolina Housing Opportunities and Prevention of Eviction Program (NC HOPE) (including contact information). Further, any newly enrolled customers since October 1, 2021, have received a welcome letter encouraging them to apply for assistance for any arrearages. The Duke Utilities state that the voluntary extensions of the expanded Winter Moratorium have allowed CIP, LIEAP, and NC HOPE-eligible ratepayers time to seek additional assistance and enroll in installment payments arrangements without risk of interruption of their electric or natural gas service since March 2020.

The Duke Utilities note that, at this time, approximately 50% of the approximately 114,000 DEC, DEP, and Piedmont customers in moratorium owe the Duke Utilities less than \$200. Approximately 75% of the moratorium customers owe less than \$500. Fewer than 500 of Duke Utilities' customers on the moratorium owe more than \$2,000. Therefore, the Duke Utilities state that they believe it appropriate for the Winter Moratorium to fully expire, consistent with Commission Rules R12-11 and R12-10, on March 31, 2022.

The Duke Utilities also state that no customer eligible for the expanded Winter Moratorium will face immediate disconnection after the moratorium is lifted on March 31, 2022:

Instead, at the end of the moratorium, if a customer is: (i) not on a payment arrangement, (ii) on an existing payment arrangement, but behind on payments under the arrangement, or (iii) not current on their bills, they are not immediately subject to disconnection on April 1, 2022. Instead, to ease this transition, the [Duke Utilities] will automatically enroll these customers in a 12-month payment arrangement at the expiration of the moratorium. If these customers do not remain current on these new 12-month payment arrangements, they still would not be eligible for disconnection before May 1, 2022. Additionally, the [Duke Utilities] intend to inform customers needing assistance in paying their utility bills about any funds or agency assistance available. Disconnection for nonpayment remains an option of last resort for [Duke Utilities].

The [Duke Utilities] will continue to assist their vulnerable customers during this time of transition. So that impacted customers will have certainty about what happens when the moratorium expires prior to March 31, 2022, the Companies intend to communicate to those customers about the expiration of the extended moratorium and the timeline to auto enroll customers with arrears in a 12-month payment arrangement, beginning on *March 18, 2022*.

[Emphasis in original.] Further, the Duke Utilities state that the Public Staff has no objection to the expiration of the expanded Winter Moratorium. Finally, the Duke Utilities state their belief that “with the expiration of the moratorium, customers that have not been active in paying off arrearages will more readily seek financial assistance from assistance agencies before those funds are exhausted.”

The Commission acknowledges the consumer statement of position submitted by Mr. Ripley on behalf of the North Carolina Justice Center (NCJC) on March 11, 2022¹, which among other requests urges the Commission to require 12-month repayment plans for vulnerable residential accounts with arrearages of \$200 or less, 18-month repayments plans for vulnerable residential accounts with arrearages between \$200 to \$1,000, and 24-month repayments plans for vulnerable residential accounts with arrearages greater

¹ Al Ripley Statement of Position, Docket No. M-100, Sub 158CS (March 11, 2022).

than \$1,000. NCJC also requests that the Commission adopt a provision that allows rate payers to miss two repayment plan payments a year with the understanding that if a payment is missed the payment plan would be extended by 30 days with the missed payment due at the end of the additional 30-day period. The NCJC states that

The expansion and extension of the Winter Moratorium has helped protect the health and well-being of approximately 114,000 residential rate payers during the worst parts of the COVID pandemic. The State's public health was also protected by the moratorium, as several studies have shown that utility disconnection moratorium were effective at lowering the spread of COVID. Finally, the moratorium helped give more time for COVID relief funds to be distributed without the risk of utility disconnection.

While the Commission recognizes the concerns expressed by the NCJC, the Commission finds the Duke Utilities' proposal to be reasonable in light of the availability of public assistance and the recent COVID-19 infection trends. The Commission appreciates the NCJC's recommendation regarding the importance of monitoring the success or failure of repayment plans for CIP and LIEAP customers and is taking NCJC's reporting recommendations under advisement. Therefore, based upon the foregoing and the entire record, the Commission finds good cause to accept the Duke Utilities' plan to allow the expanded Winter Moratorium to expire on March 31, 2022, consistent with the Commission Rules R12-11(l)(6) and R12-10(h)(6).

The Commission continues to urge public utilities to be flexible in working with all customers during and after the State of Emergency, particularly those customers most vulnerable to COVID-19-related hardship and to weigh the financial needs of continued operation with both the welfare of individual customers and the necessity of utility service to the protection of public health from the spread of the coronavirus. In exercising flexibility, and in accordance with N.C. Gen. Stat. § 62-140, public utilities shall ensure that similarly situated customers receive equal treatment. Finally, no customer is relieved of the obligation to pay bills for receipt of any public utility service.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 17th day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in blue ink that reads "Joann R. Snyder". The signature is written in a cursive, flowing style.

Joann R. Snyder, Deputy Clerk