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June 28, 2021

VIA ELECTRONIC FILING

Ms. Kimberley A. Campbell, Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

RE: Duke Energy Carolinas, LLC, Duke Energy Progress, LLC and Piedmont Natural Gas Company, Inc.'s Notification of Voluntary

Extension of Assistance to Vulnerable Customers from June 30 until

October 1, 2021

Docket Nos. E-7, Sub 1236; E-2, Sub 1228; G-9, Sub 767; M-100, Sub

158; E-7, Sub 1241 and E-2, Sub 1258

Dear Ms. Campbell:

This letter is intended to notify the Commission of actions taken by Duke Energy Carolinas, LLC ("DEC"), Piedmont Natural Gas Company, Inc. ("PNG") and Duke Energy Progress, LLC ("DEP", collectively, "Duke Energy" or the "Companies") to voluntarily further assist the Companies' customers with households that benefit from the Low-Income Energy Assistance Program ("LIEAP"), the Crisis Intervention Program ("CIP") and the North Carolina Housing Opportunities and Prevention of Eviction Program¹ ("NC HOPE") (collectively, "vulnerable customers"). As of June 23, 2021, Duke Energy had assisted approximately 96,000 vulnerable customers through extensions and expansion of the moratorium on disconnections outlined in Commission Rule R12-10(h)(6) and Rule 12-11(l)(6) ("winter moratorium"). After recent discussions with the Public Staff of the North Carolina Utilities Commission ("Public Staff") and the North Carolina Justice Center, Duke Energy has determined that it will voluntarily extend the moratorium on disconnections for these vulnerable customers, which currently expires on June 30, 2021, for an additional three months; i.e., until October 1, 2021.

Background

As the Commission is aware, on February 11, 2021, the Companies notified it that, in response to the financial hardships on low-income households as a result of the COVID-

¹ This will include "Hope 2.0" emergency rental assistance recipients.

19 pandemic, the Companies intended to broaden the winter disconnection moratorium for some of the most vulnerable members of our communities by expanding eligibility to include all LIEAP and CIP beneficiaries. Under normal circumstances, pursuant to NCUC Rules R12-11(l)(6) and R12-10(h)(6), Duke Energy's residential customers in North Carolina may qualify for a disconnection moratorium from November 1 to March 31 if they are 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., LIEAP eligible), if they are suffering financial hardship that prevents them from being able to afford their bills or a 6-month payment arrangement, and if they have a household member who is handicapped and/or elderly (65 or older) or both. Duke Energy voluntarily broadened eligibility for the winter moratorium to include all LIEAP and CIP beneficiary customers through March 31, 2021.

On February 23, 2021, the Commission issued its Order Suspending Disconnections And Providing For Extended Special Repayment Plans For Certain Vulnerable Residential Customers And Requiring Door Hanger Notices, in the abovecaptioned dockets ("February 23 Suspension Order"), which: (i) commended Duke Energy for its decision to broaden the winter disconnection moratorium to include all LIEAP and CIP beneficiaries, (ii) expanded the winter disconnection moratorium to include the broadened eligibility criteria to the largest regulated electric, natural gas, water, and wastewater utilities; and (iii) required certain additional customer protections, including opt-out payment plans with 18-month terms and on-premises notices. Specifically, the Commission held that for bills rendered through March 31, 2021, DEC, DEP, PNG, and other North Carolina public utilities shall cease residential customer disconnections due to non-payment of utility bills, except where disconnection is necessary as a matter of safety or where requested by the customer, where the residential customer can establish that the customer is unable to pay for such service in full and that the customer's household is eligible to receive assistance (whether funds are then available or not) from LIEAP, CIP, or NC HOPE; where the residential customer can establish that the customer is unable to pay for such service in full and that the customer's household is eligible to receive assistance (whether funds are then available or not) from LIEAP, CIP, or NC HOPE.

Under the Commission's February 23 Suspension Order, the suspension on disconnections for non-payment for LIEAP, CIP and NC HOPE customers expired March 31. Because the COVID-19 pandemic was still impacting our vulnerable customers after March 31, the Companies voluntarily extended the February 23 Suspension Order's protection against disconnection for non-payment to CIP, LIEAP, and NC HOPE beneficiaries from April 1, 2021 to June 30, 2021. During this time, the Companies provided these impacted customers, with a few exceptions explained below, an 18-month payment arrangement on an opt-out basis for their outstanding balances prior to their July 2021 bill. Exceptions to the automatic provision of an 18-month payment arrangement included: (i) customers with account balances of less than \$36.00 where applying the 18-month payment arrangement will result in installments of less than \$2.00 per month for 18 months; (ii) customers on the equal payment plans, because the DEP's and PNG's systems will not allow them to be on an equal payment plan and an installment arrangement; (iii) customers who participate in Preference Pay, a legacy DEP program for customers 55 or older with a fixed income, which allowed these customers flexibility in paying their bills

after they received their monthly checks, without penalty. Duke Energy committed to proactively contact and offer these customers an 18-month payment plan; however, they had the option to opt-into the payment arrangement due to the Companies' billing systems, instead of opting out.

On March 24, 2021, the Commission issued its *Order Extending Doorhanger Notice Requirement*, in which it extended its requirement for doorhanger notices 24-36 hours prior to disconnection until June 30, 2021.

On April 5, 2021, the Commission issued its *Order Reinstating Limited Residential Disconnection Moratorium*, which extended the Residential Disconnection Moratorium from March 31 until June 30, 2021.

Extension of Disconnection Moratorium for Vulnerable Customers until October 1, 2021 and Return to Normal Operations for Other Customers on July 1, 2021

The Companies appreciate the opportunity to continue to assist more of their vulnerable customers as the effects of the pandemic appear to wane and the State begins to transition from the shutdowns and social distancing to pre-pandemic practices. Although widespread vaccinations across the State have led to a return to more normal life, with businesses opening and in-person gatherings outside the home more prevalent, the financial hardships resulting from the pandemic still affect the Companies' most vulnerable customers during this summer season. To help these customers transition to post-pandemic lives over the next three months, the Companies intend to extend their current moratorium on disconnections for vulnerable customers until October 1, 2021.

As the Companies did with the previous voluntary extension of the moratorium from April 1 until June 30, they intend to send out communications to customers about the extension and opportunities for deferred payment arrangements ("DPAs"). Customers that are already participating in the previous moratorium and moratorium extensions will have DPAs applied in July. For new customers participating in this extended moratorium, DPAs will be applied October 1. As with the previous extension from April 1 to June 30, exceptions to the automatic opt-in to the 18-month DPA include: (i) customers with account balances of less than \$36.00 where applying the 18-month payment arrangement will result in installments of less than \$2.00 per month for 18 months; (ii) customers on the equal payment plans, because the DEP's and PNG's systems will not allow them to be on an equal payment plan and an installment arrangement; (iii) customers who participate in Preference Pay, a legacy DEP program for customers 55 or older with a fixed income, which allowed these customers flexibility in paying their bills after they received their monthly checks, without penalty. As explained in its March 31, 2020 letter to the Commission in this docket, Duke Energy is committed to proactively contacting and offering these customers an 18-month payment plan; however, they will have the option to opt-into the payment arrangement due to the Companies' billing systems, instead of opting out.

The Companies intend to continue the extension for their vulnerable customers as follows:

- For DEC vulnerable customers that are in arrears but not currently on a DPA, they will be placed on an automatic 18-month DPA. Details and payment amounts will be included in a letter to these customers. For DEC customers already on a DPA, DEC will communicate with those customers by letter, offering to restructure their current DPA to an 18-month DPA if they call the Company with this request by October 1, 2021.
- For DEP vulnerable customers that are in arrears but not currently on a DPA, they will be placed on an automatic 18-month DPA. Details and payment amounts will be included in a letter to these customers. For DEP customers already on a DPA, all past due balances, including any outstanding balance from the current DPA, will be restructured into a new 18-month DPA. Details and payment amount will be included in a letter to these customers.
- For PNG vulnerable customers with a past due balance that are not currently on a DPA, they will be placed on an 18-month DPA for any existing past due amounts. Details and payment amounts will be included in a letter to customers. For customers already on a DPA, all past due balances, including any outstanding balance from the current DPA, will be restructured into a new 18-month DPA. Details and payment amount will be included in a letter to these customers.

As in the past, the Companies are willing be as flexible as possible with these vulnerable customers during this difficult time and to assist, as they can, in helping customers obtain agency assistance in paying their electric and natural gas utility bills.

With this extension of assistance to the Companies' vulnerable customers, the Companies are also aware that the effects of the pandemic have waned across the State. Thus, the Companies further intend to return to normal business practices for all other customers, residential and nonresidential, after June 30, 2021. This means that customers would once again be subject to the Companies' pre-pandemic disconnection and DPA practices, subject, of course, to the Commission's Rules and orders. These practices include DPAs of six months. The Companies acknowledge, however, that the Commission's prohibition against imposing late fees on customers' bills has not expired and remains in place.

Again, the Companies welcome this opportunity to provide further assistance to their vulnerable customers by extending this disconnection moratorium until October 1, 2021, and the Companies intend to continue working with these customers, as they can, to assist in paying their bills and maintaining service. The Companies shared this letter with the Public Staff and the North Carolina Justice Center prior to filing it, and they had no objection to the filing.

Please do not hesitate to contact me if you have any questions.

Sincerely,

Kendrick C. Fentress

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cc: Parties of Record

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Carolinas, LLC, Duke Energy Progress, LLC and Piedmont Natural Gas Company, Inc.'s Notification of Voluntary Extension of Assistance to Vulnerable Customers, in Docket Nos. E-7, Sub 1236; E-2, Sub 1228; G-9, Sub 767; M-100, Sub 158; E-7, Sub 1241 and E-2, Sub 1258, has been served by electronic mail, hand delivery, or by depositing a copy in the United States Mail, 1st Class Postage Prepaid, properly addressed to parties of record.

This the 28th day of June, 2021.

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