



Kendrick C. Fentress
Associate General Counsel

NCRH 20 / P.O. Box 1551
Raleigh, NC 27602

o: 919.546.6733

Kendrick.Fentress@duke-energy.com

March 11, 2022

VIA ELECTRONIC FILING

Ms. A. Shonta Dunston, 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 Expiration of
Winter Moratorium and Payment Arrangements for Vulnerable
Customers
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. Dunston:

Over the last twelve months, in response to the financial hardships resulting from the COVID pandemic, Duke Energy Carolinas, LLC ("DEC"), Duke Energy Progress, LLC ("DEP") and Piedmont Natural Gas Company, Inc. ("Piedmont", collectively, the "Companies") 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. Under normal circumstances, pursuant to Commission Rules R12-11(l)(6) and R12-10(h)(6), the Companies' residential customers in North Carolina qualify for a disconnection moratorium from November 1 to March 31 if they meet *all* of the following requirements:

- (i) 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,
- (ii) they are suffering financial hardship that prevents them from being able to afford their bills or a 6-month payment arrangement, and
- (iii) they have a household member who is handicapped and/or elderly (65 or older) or both.

OFFICIAL COPY

Mar 11 2022

On February 11, 2021, the Companies first notified the Commission that they intended to voluntarily broaden the application of the winter disconnection moratorium by expanding eligibility to *all* Low-Income Energy Assistance Program (“LIEAP”), the Crisis Intervention Program (“CIP”) and the North Carolina Housing Opportunities and Prevention of Eviction Program¹ (“NC HOPE”) beneficiaries. 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 which the Commission commended DEC, DEP and Piedmont for their decision to expand the winter moratorium. (2021 Disconnection Order) The Commission further directed that, for bills rendered through March 31, 2021, the State’s other large regulated utilities should also cease residential customer disconnections due to nonpayment 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 from LIEAP, CIP, and NC Hope.² The Commission also directed that those customers should be offered an 18-month payment plan to pay off the arrearages accumulated in the State of Emergency.³ Finally, the Commission stated that no provision of its 2021 February Order should be construed as relieving a customer from the obligation to pay bills for receipt of any utility service.⁴

The Companies then extended the moratorium three additional times, and, as a result, it has essentially been in place for over a year [November 1, 2020 – March 31 2022]. First, on March 31, 2021, the Companies notified the Commission that they intended to extend the winter moratorium for the vulnerable customers from April 1, 2021 until June 30, 2021. The Companies further reported that the Companies automatically enrolled these impacted customers, with few exceptions, on 18-month payment arrangements on an opt-out basis for their outstanding balances in early July that would include any outstanding balance at that point. Customers that were not auto-enrolled were contacted and asked if they wanted the 18-month payment arrangement. Second, on June 28, 2021, the Companies once again voluntarily extended the winter moratorium and automatic offer of 18-month payment plans for an additional three months, until October 1, 2021.

On September 30, 2021, the Companies extended the expiration of the winter moratorium for vulnerable customers for the third time, through March 31, 2022 (as provided for in Rules R12-11 and R12-10). All customers enrolled in the moratorium as of October 1 were sent a letter notifying them that protections had been extended to March 31, 2022 and that their arrearages may be eligible to be paid by LIEAP/CIP or NC HOPE (including contact information). Any newly enrolled customers since October 1 received a Welcome Letter overviewing the program and encouraging them to apply for assistance for any arrearages.

The three extensions of the winter moratorium have allowed CIP/LIEAP/NC HOPE recipients time to seek additional assistance and enroll in installment payment

¹ This will include “Hope 2.0” emergency rental assistance recipients.

² 2021 Disconnection Order, Ordering ¶ 1.

³ *Id.*, Ordering ¶ 4.

⁴ 2021 Disconnection Order, Ordering ¶ 3.

arrangements without risk of interruption of their electric or natural gas service since March 2020. At this time, approximately 50% of the approximately 114,000 DEC, DEP, and Piedmont customers in moratorium owe the Companies less than \$200. Approximately 75% of the moratorium customers owe less than \$500. Fewer than 500 of the Companies' customers on the moratorium owe more than \$2000. Therefore, the Companies believe it is appropriate for the winter moratorium to fully expire, as contemplated by Rules R12-11 and R12-10, on March 31, 2022. The Companies believe 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.

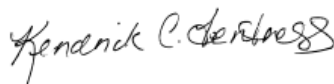
To ease the transition to more normal operations for these customers that have been on the moratorium, the Companies note that none of them will be facing disconnection immediately after the moratorium is lifted on March 31, 2022. Instead, at the end of the moratorium, if a customer is: (i) not on a 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 Companies 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 Companies intend to inform customers needing assistance in paying their utility bills about any funds or agency assistance available. Disconnection for non-payment remains an option of last resort for the Companies.

The Companies 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*.

The Companies shared this letter with the Public Staff of the North Carolina Utilities Commission ("Public Staff") prior to filing it, and the undersigned is authorized to state that the Public Staff had no objection to it.

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

Sincerely,



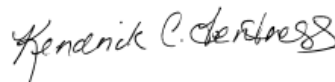
Kendrick C. Fentress

cc: Parties of Record

CERTIFICATE OF SERVICE

I certify that a copy of Duke Energy Progress, LLC, Duke Energy Carolinas, LLC and Piedmont Natural Gas Company, Inc.'s Notification of Expiration of Winter Moratorium and Payment Arrangements for Vulnerable Customers, filed 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 11th day of March 2022.



Kendrick C. Fentress
Associate General Counsel
Duke Energy Corporation
P.O. Box 1551 / NCRH 20
Raleigh, NC 27602
Tel 919.546.6733
Kendrick.Fentress@duke-energy.com