

NORTH CAROLINA UTILITIES COMMISSION
REPORT ON MANDATORY COVID-19 STATE OF EMERGENCY MONTHLY REPORTING
FOR THE MONTH ENDED JANUARY 31, 2021
Docket No. M-100, Sub 158

Tuesday, March 23, 2021

On July 29, 2020, the North Carolina Utilities Commission (Commission) issued an order lifting the disconnection moratorium it had placed on jurisdictional utilities regulated by the Commission at the outset of the COVID-19 crisis. In addition to lifting the moratorium, the order also set minimum requirements for the establishment of repayment plans for arrearages that had occurred during the moratorium and required utilities to submit monthly monitoring reports on a range of metrics.

On September 9, 2020, the Commission issued an order finalizing the COVID-19 State of Emergency Monthly Reporting Form and excluding resellers and Class C water and wastewater public utilities from the mandatory reporting requirement.

For the period January 1, 2021, through January 31, 2021, 42 utilities submitted reports (see Appendix A for a full list of utilities submitting reports). Of the 42 utilities that reported, five are electricity providers, three are natural gas providers, and 34 are providers of water and/or wastewater services.

Accounts Past Due

The reporting jurisdictional utilities reported that, as of January 31, 2021, an aggregate of \$159,234,357 in residential and nonresidential customer arrearages were 30 or more days past due (\$28,152,219 less than the amount of arrears reported as of December 31, 2020). Of the reported amount this month, approximately 83.6% or \$133,108,728 is attributable to the three largest investor-owned electric utilities — Duke Energy Carolinas, LLC (DEC), Duke Energy Progress, LLC (DEP, and collectively with DEC, Duke Energy), and Virginia Electric and Power Company d/b/a Dominion Energy North Carolina. Table 1 shows a summary of arrearages and past due accounts for each type of utility service.

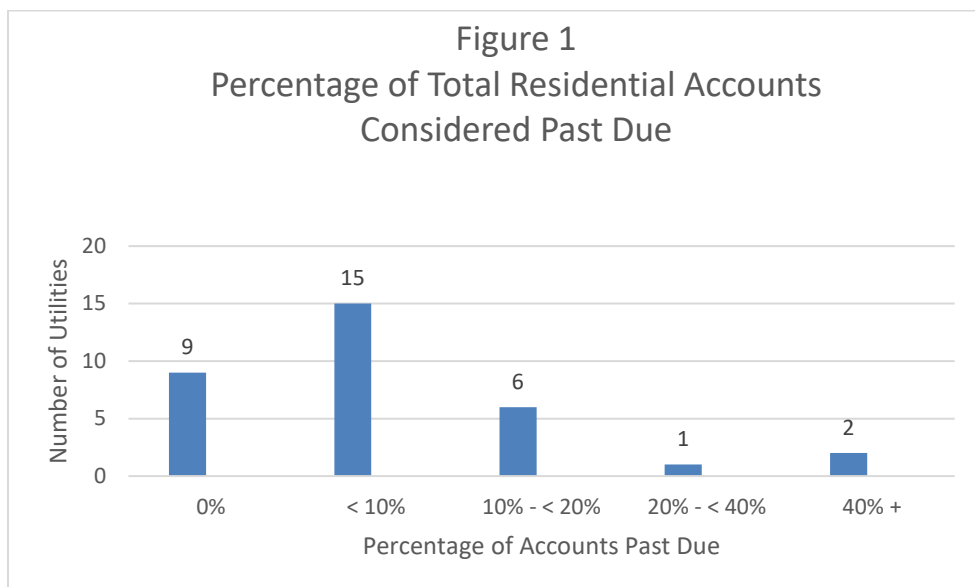
Utility Service Provided	Number of Utilities Responding	Active Customer Accounts	Number of Past Due Accounts	Percent Past Due	Total Amount Past Due ¹
Electricity	5	4,002,611	475,434	11.9%	\$133,108,728
Natural Gas	3	1,399,423	136,528	9.8%	\$23,749,759
Water and Wastewater	34	189,840	26,596	14.0%	\$2,375,870

As of January 31, 2021, electric utilities reported that 475,434 (11.9%) of their accounts were past due, and natural gas utilities reported that 136,528 (9.8%) of their accounts were past

¹ The survey form defined past due amounts as unpaid balances 30 days and older.

due. As of January 31, 2021, utilities providing water and/or wastewater services reported that 26,596 (14.0%) of their accounts were past due.

Figure 1 depicts the range of percentages of residential accounts past due by the number of jurisdictional utilities that reported for electric, natural gas, and classes A and B water and wastewater. The percentage of residential accounts past due varied among individual utilities. Nine of the electric, natural gas, and classes A and B water and wastewater utilities reported no past due accounts and two class B water and wastewater utilities reported more than 40% of their accounts past due.



Disconnections, Reconnections, and Payment Plans

As of January 31, 2021, utilities reported carrying out 20,734 disconnections² during the month of January. Utilities reported that 186,135 residential accounts were on payment plans with the majority of these being reported by DEC and DEP.

Trends and Future Outlook

As of January 31, 2021, many customers are behind on their bills, but that trend has declined on average over time with most utilities experiencing 10%-15% of their overall accounts past due. Average arrears vary over time based on industry and size. Average arrears on past due accounts at the end of the month is decreasing or remaining the same in January 2021 for most utilities but is the highest for the three electric service providers. Repayment plan enrollment has increased from October 2020 through January 2021 for the natural gas service providers and large water and sewer providers but has decreased from December to January for the large electric providers. The percentage of customers enrolling in repayment plans has remained low. There are more enrolled in repayment plans in electric than in the other sectors, but only approximately 4% of electric customers are enrolled. The average balance on repayment plans has decreased slightly or remained the same from October 2020 to January 2021 for all utility

² This total does not include accounts that were disconnected and reconnected within 24 hours.

providers except for the large water and sewer providers which have increased slightly. Disconnections were nearly non-existent in August 2020 and September 2020, increasing a little in October 2020 and more drastically in November 2020. From November 2020 through January 2021, the percentage of accounts disconnected for nonpayment has decreased on average or remained the same on average for the utility providers. The majority of disconnections for utilities ended up being reconnected (and most within 24 hours). The net number of customers disconnected and not reconnected from December 2020 to January 2021 increased on average for the electric and natural gas utility groups but decreased for the larger water and wastewater utility group. (These trends can be seen on the graphs shown in Appendix B that were produced by the UNC School of Government — Environmental Finance Center.)

Customer Notice

Pursuant to the Commission's order issued on July 29, 2020, which lifted the moratorium on disconnections, the jurisdictional utilities were to inform customers regarding repayment plan options and, if applicable, regarding customer assistance programs such as the Federal Low-Income Home Energy Assistance Program (LIHEAP). During the reporting period, 32 jurisdictional utilities confirmed that they had informed customers about the required payment plans. Ten utilities, all water and/or wastewater utilities, responded that they had not informed customers or were not aware of whether customers had been informed about the required payment plans. All of the electric and natural gas utilities confirmed that they provided customers with information related to LIHEAP. LIHEAP does not apply to the water and/or wastewater utilities.

Additional Information

This report, as well as the raw data reported by the jurisdictional utilities, will be filed in NCUC Docket No. M-100, Sub 158, which is publicly available on the Commission's website: www.ncuc.net. Please contact Ellen Burns at eburns@ncuc.net if you have any questions or if you would like to be provided with any additional information.

Appendix A

	Utility Service Provider Name	Utility Service
1	904 Georgetown Treatment Plant, LLC	Water and/or Wastewater
2	Albemarle Plantation Utility Company, Inc.	Water and/or Wastewater
3	Aqua North Carolina, Inc.	Water and/or Wastewater
4	Bay Tree Utility Company	Water and/or Wastewater
5	Beacons Reach Master Association, Inc.	Water and/or Wastewater
6	Carolina Water Service, Inc. of North Carolina	Water and/or Wastewater
7	Clarke Utilities, Inc.	Water and/or Wastewater
8	Corriher Water Service	Water and/or Wastewater
9	Cross-State Development Corporation	Water and/or Wastewater
10	Dominion Energy North Carolina	Electric
11	Duke Energy Carolinas, LLC	Electric
12	Duke Energy Progress, LLC	Electric
13	Enviro-Tech of North Carolina, Inc.	Water and/or Wastewater
14	Fairfield Water Company	Water and/or Wastewater
15	Fearrington Utilities	Water and/or Wastewater
16	Frontier Natural Gas Company	Natural Gas
17	Gensinger; John	Water and/or Wastewater
18	GGCC Utility, Inc.	Water and/or Wastewater
19	Ginguite Woods Water Reclamation Association, Inc.	Water and/or Wastewater
20	HH Water, LLC	Water and/or Wastewater
21	Harrco Utility Corporation	Water and/or Wastewater
22	JL Golf Management, LLC	Water and/or Wastewater
23	KRJ, Inc.	Water and/or Wastewater
24	Lake Junaluska Assembly, Inc.	Water and/or Wastewater
25	Meadowsland Development, LLC	Water and/or Wastewater
26	MECO Utilities, Inc.	Water and/or Wastewater
27	Mountain Air Utilities Corporation	Water and/or Wastewater
28	New River Light and Power Company	Electric
29	Old North State Water Company, LLC	Water and/or Wastewater
30	Old North Utility Services, Inc.	Water and/or Wastewater
31	Piedmont Natural Gas Company, Inc.	Natural Gas
32	Pine Island Currituck, LLC	Water and/or Wastewater
33	Pluris Hampstead, LLC	Water and/or Wastewater
34	Pluris Webb Creek, LLC	Water and/or Wastewater
35	Pluris, LLC	Water and/or Wastewater
36	Public Service Company of North Carolina, Inc.	Natural Gas
37	Sandler Utilities At Mill Run LLC	Water and/or Wastewater
38	Saxapahaw Utility Company	Water and/or Wastewater
39	Scientific Water and Sewerage Corporation	Water and/or Wastewater
40	Total Environmental Solutions, Inc.	Water and/or Wastewater
41	Water Quality Utilities, Inc.	Water and/or Wastewater
42	Western Carolina University	Electric

Appendix B

The Impact of COVID 19 on Commission Regulated Utilities



The Impact of COVID 19 on Commission Regulated Utilities

March 23, 2021

SUMMARY OF NCUC COVID-19 RESPONSE

- **March 10, 2020:** Governor Cooper issues Executive Order (EO) No. 116 declaring state of emergency to coordinate response and protective actions to prevent the spread of COVID-19
- **March 19, 2020:** NCUC issues Order Suspending Utility Disconnections for Non-Payment, Allowing Reconnection, and Waiving Certain Fees
- **March 31, 2020:** Governor Cooper issues EO No. 124 prohibiting utilities – including electric, gas, water and wastewater services – from disconnecting customers unable to pay during the COVID-19 pandemic and from collecting fees, penalties, or interest for late payments. EO No. 124 also required public utilities to report implementation information weekly to the Commission.
- **May 30, 2020:** Governor Cooper issues EO No. 142 extending the disconnect moratorium until 11:59 pm on July 29, 2020, and required public utilities to continue to report implementation information to the Commission, now on a monthly basis.
- **July 29, 2020:** NCUC issues Order Lifting Disconnection Moratorium and Allowing Collection of Arrearages Pursuant to Special Repayment Plans in Docket No. M-100, Sub 158; EO No. 124 expires
 - Resumes customer disconnections beginning on September 1, 2020, for bills mailed after September 1st and pursuant to existing notice requirements
 - Late fee moratorium remains in effect “through the end of the State of Emergency or until further order of the Commission”
 - Allows collection of arrearages pursuant to repayment plans (12 months unless a customer agrees to fewer)
 - Encourages leniency during the state of emergency
- **September 9, 2020:** NCUC finalizes COVID-19 State of Emergency Monthly Reporting Form, which all jurisdictional electric, natural gas, water, and wastewater public utilities, excluding resellers and Class C water and wastewater public utilities, must submit to the Commission on a monthly basis
- **On February 23, 2021:** NCUC issues Order Suspending Disconnections and Providing for Extended Special Repayment Plans for Certain Vulnerable Residential Customers and Requiring Door Hanger Notices in Docket No. M-100, Sub 158
 - Applicable to seven large electricity, natural gas, and water utilities
 - Ceases customer disconnections through March 31, 2021, for nonpayment of bills for residential customers who household is eligible to receive assistance (whether funds are then available or not) from LIEAP, CIP, or the North Carolina Housing Opportunities and Prevention of Evictions (NC HOPE) Program Requires through March 31, 2020, service disconnect door-hangers be placed at all residences within 24 to 36 hours prior to disconnection, advising residential customers of their options to avoid disconnection
 - Provides for Extended Special Repayment Plans (no fewer than 18 months) for residential customers who household is eligible to receive assistance (whether funds are then available or not) from LIEAP, CIP, or the North Carolina Housing Opportunities and Prevention of Evictions (NC HOPE) Program



COVID-19 STATE OF EMERGENCY MONTHLY REPORTING TRENDS

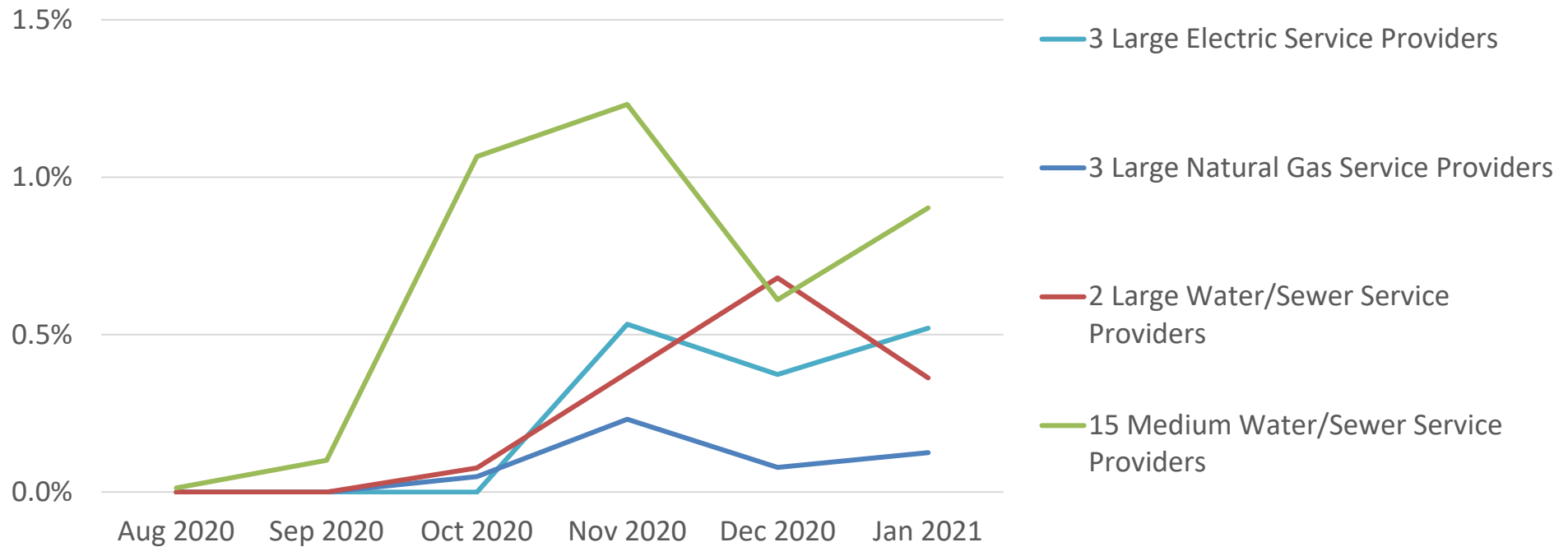
IMPACTS OF COVID-19 ON REGULATED UTILITIES AND CUSTOMERS

- Many customers are behind on their bills, but that trend has declined on average over time with most utilities experiencing 10% - 15% of their overall accounts past due.
- The average arrears varies in trend over time based on industry and size.
- Average arrears on past due accounts at the end of the month is decreasing or remaining the same in January 2021 for most utilities but is the highest for the three electric service providers.
- Repayment plan enrollment has increased from October 2020 through January 2021 for the natural gas service providers and large water and sewer service providers but has decreased from December 2020 to January 2021 for the large electric providers. The percentage of customers enrolling remains low. There are more enrolled in electric than in the other sectors, but only approximately 4% of electric customers are enrolled.
- The average balance on repayments plans has decreased slightly or remained the same from October 2020 to January 2021 for all utility providers except for the large water and sewer providers which have increased slightly.
- Disconnections were nearly non-existent in August 2020 and September 2020, increasing a little in October 2020 and more drastically in November 2020. From November 2020 through January 2021, the percentage of accounts disconnected for non-payment has decreased on average or remained the same on average for the utility providers. The majority of disconnections ended up being reconnected (and most within 24 hours).
- The net number of customers disconnected and not reconnected from December 2020 to January 2021 increased on average for the electric and natural gas utility groups but decreased for the larger water and sewer utility group.



CUSTOMER DISCONNECTIONS

Percentage of Accounts Disconnected for Non-Payment (including Reconnected Accounts): Residential Accounts Only

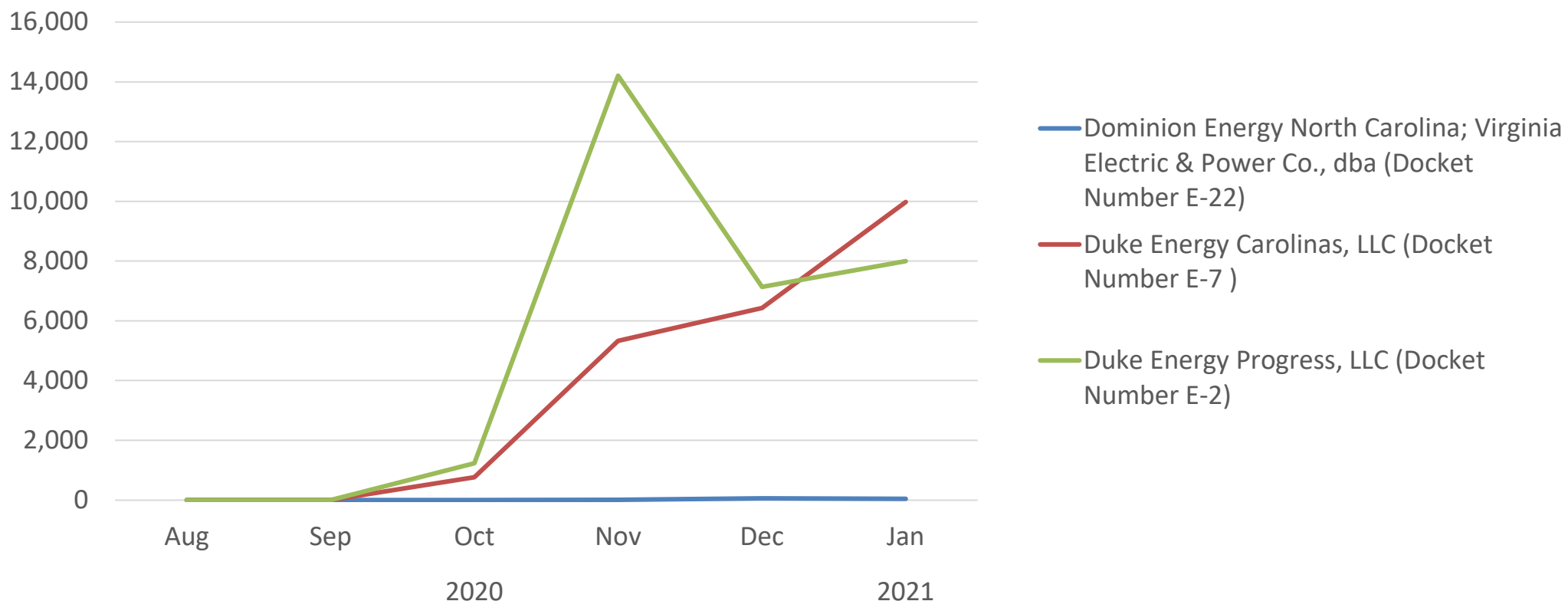


Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.



DISCONNECTIONS BY ELECTRIC UTILITIES

Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)



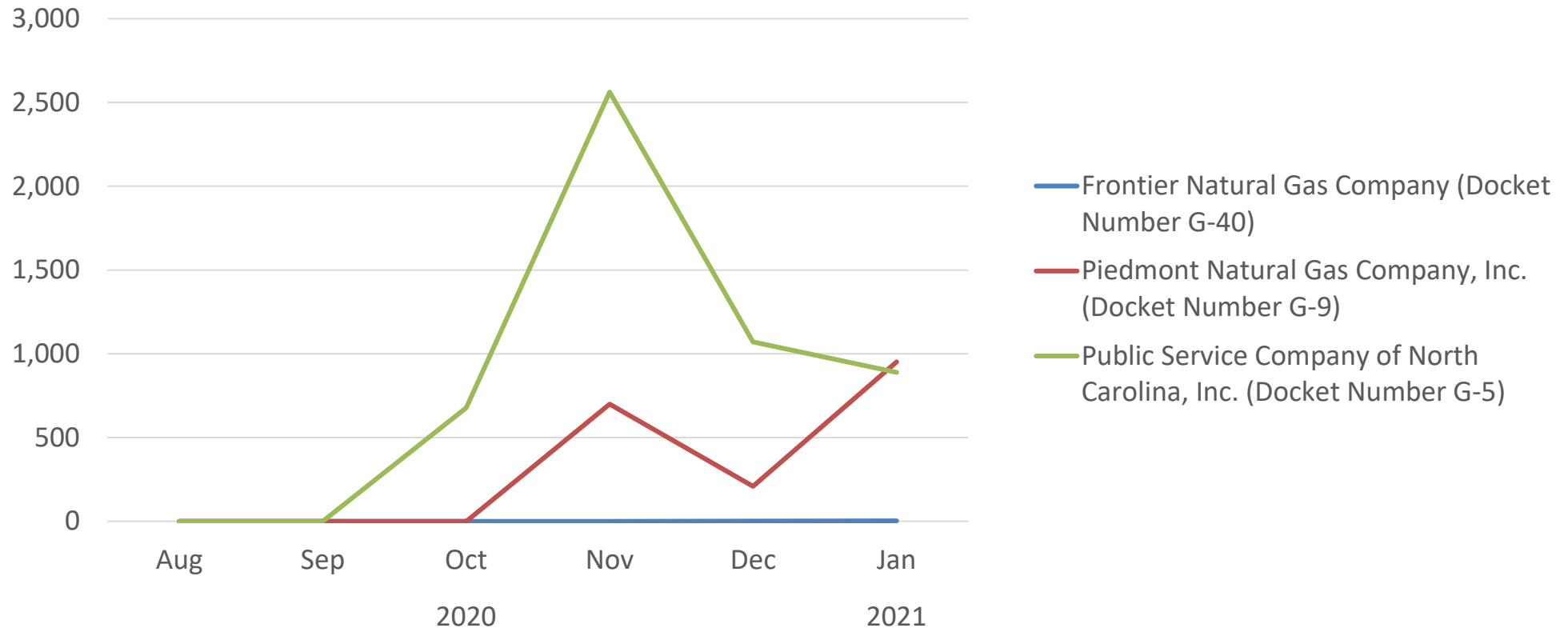
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



DISCONNECTIONS BY NATURAL GAS UTILITIES



Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)

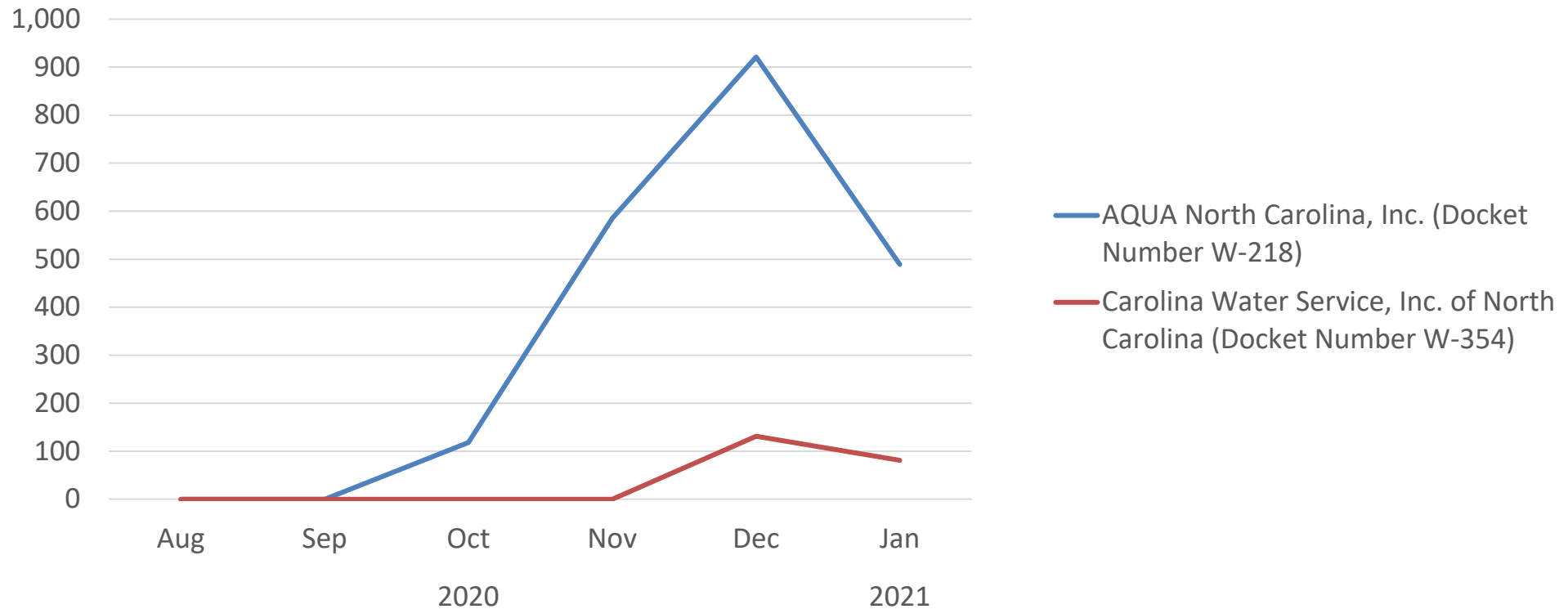


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



DISCONNECTIONS BY WATER & WASTEWATER UTILITIES – LARGEST 2 COMPANIES

Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)

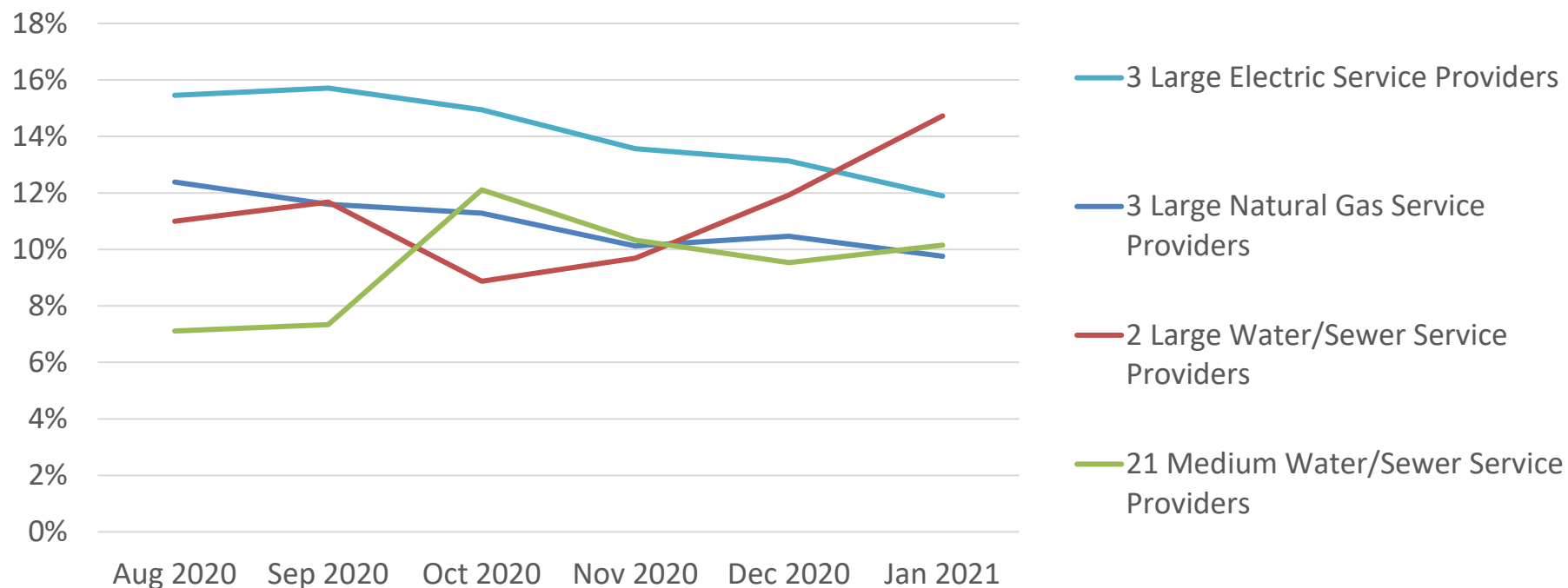


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



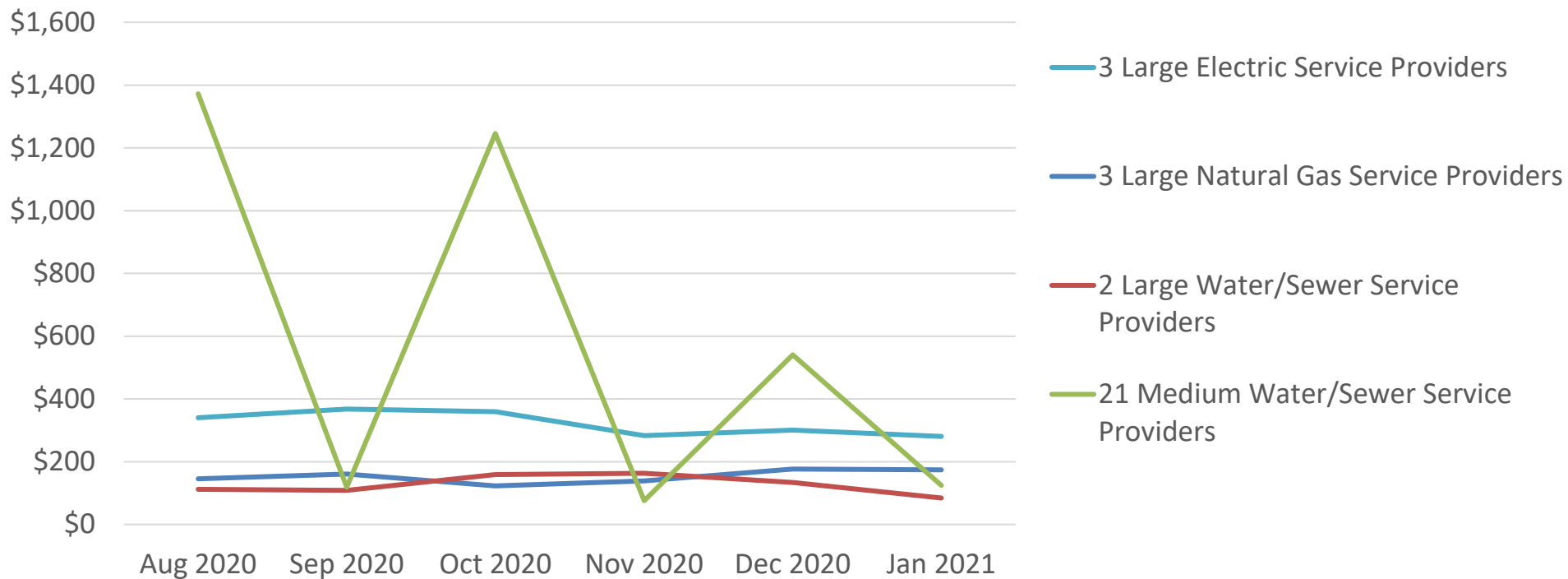
ARREARAGES

Percentage of Accounts Considered Past Due at the End of the Month



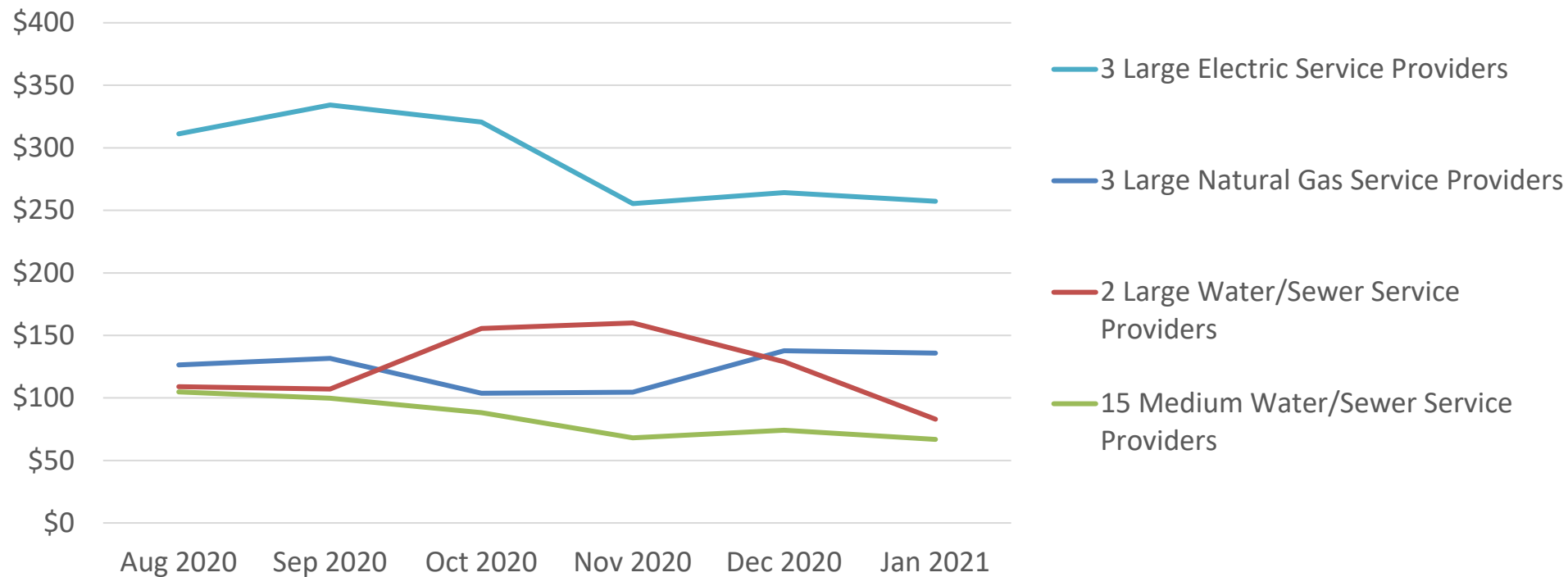
Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

Average Arrears on Past Due Accounts at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only

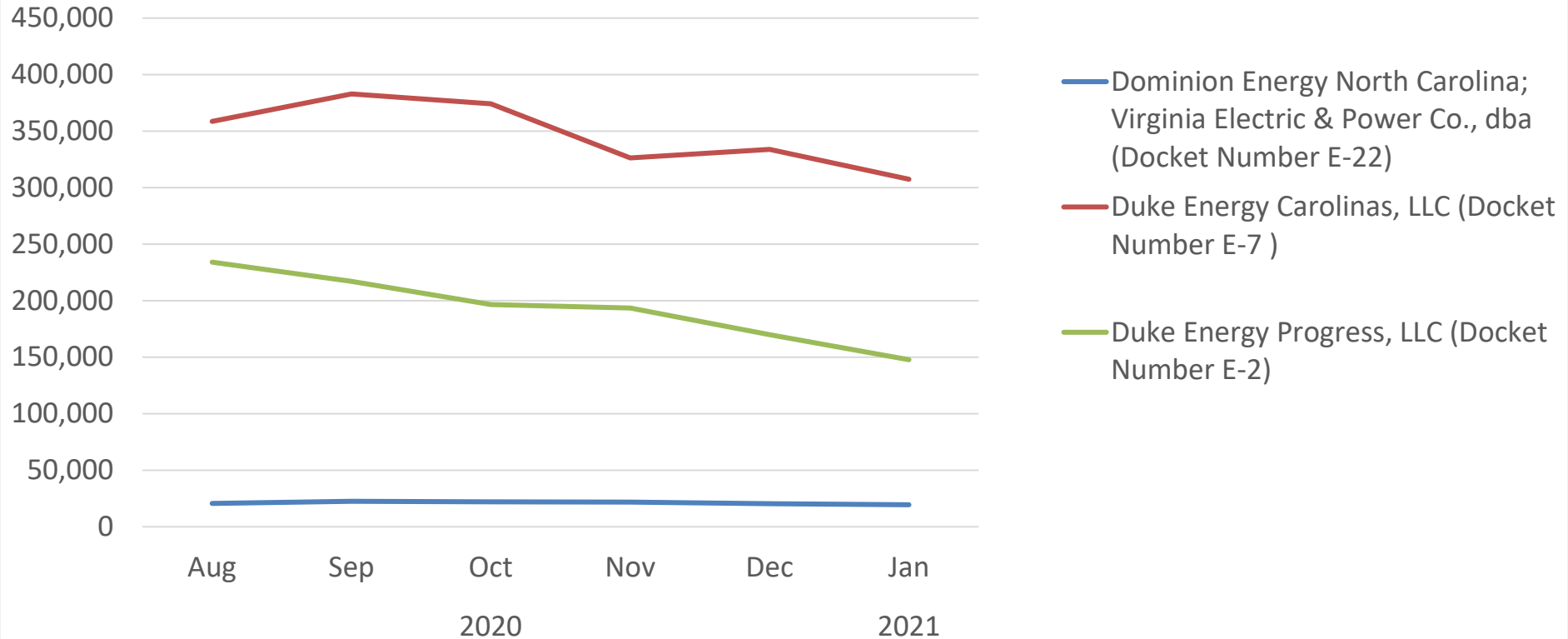


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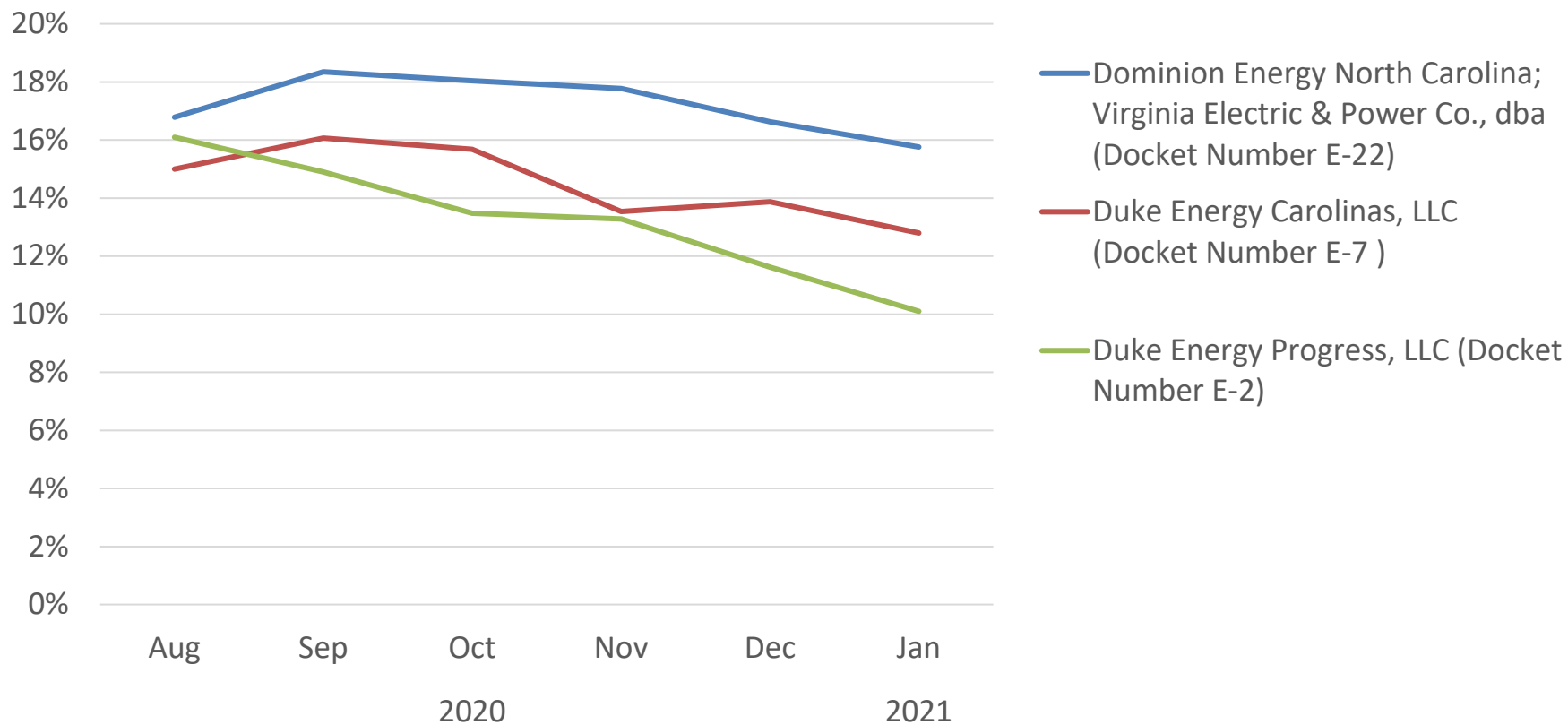
ELECTRIC UTILITY ARREARAGES

Number of Accounts Considered Past Due at the End of the Month



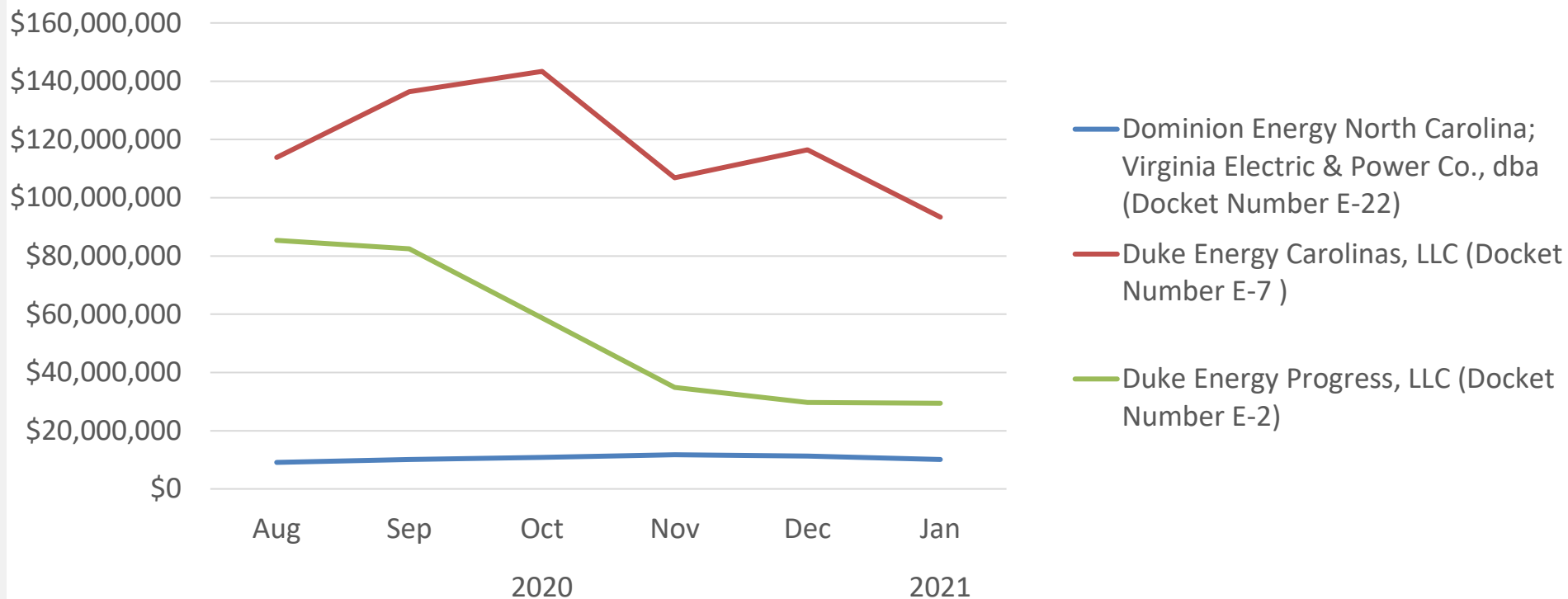
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

Percentage of Accounts Considered Past Due at the End of the Month



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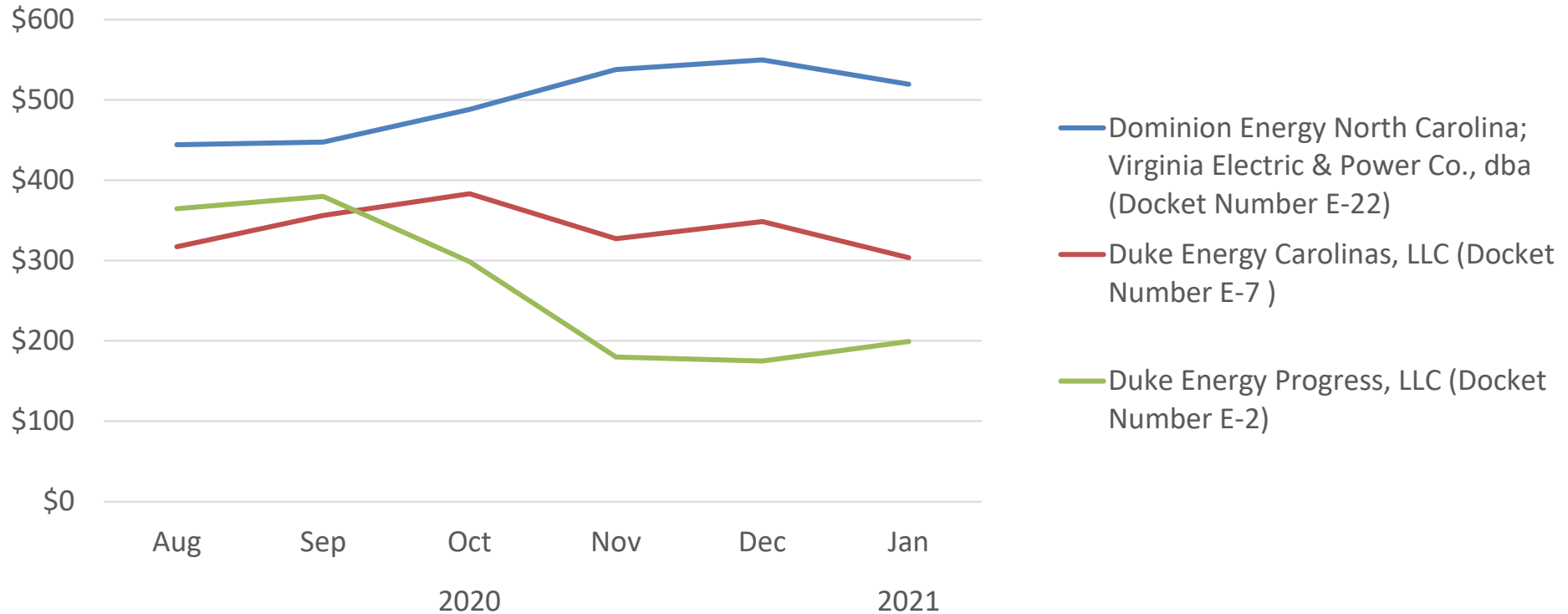
Total Arrears at Least 30 Days Past Due at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



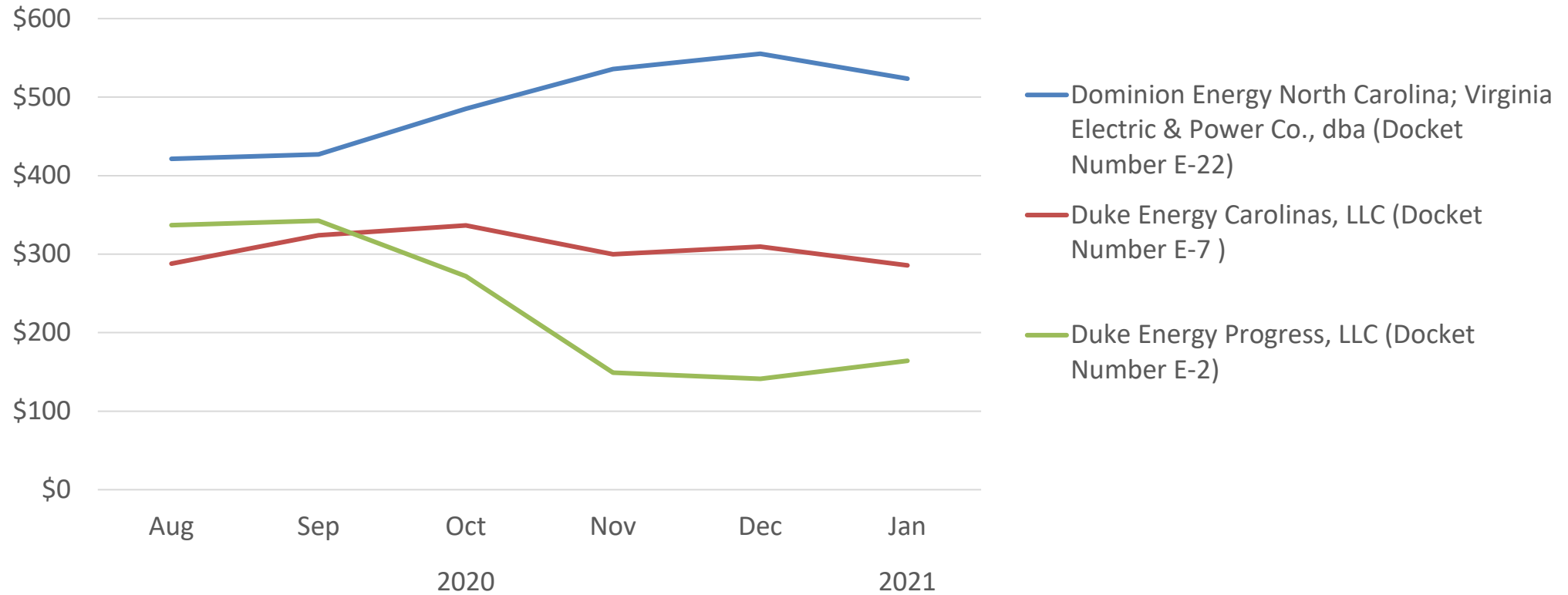
Average Arrears on Past Due Accounts at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only

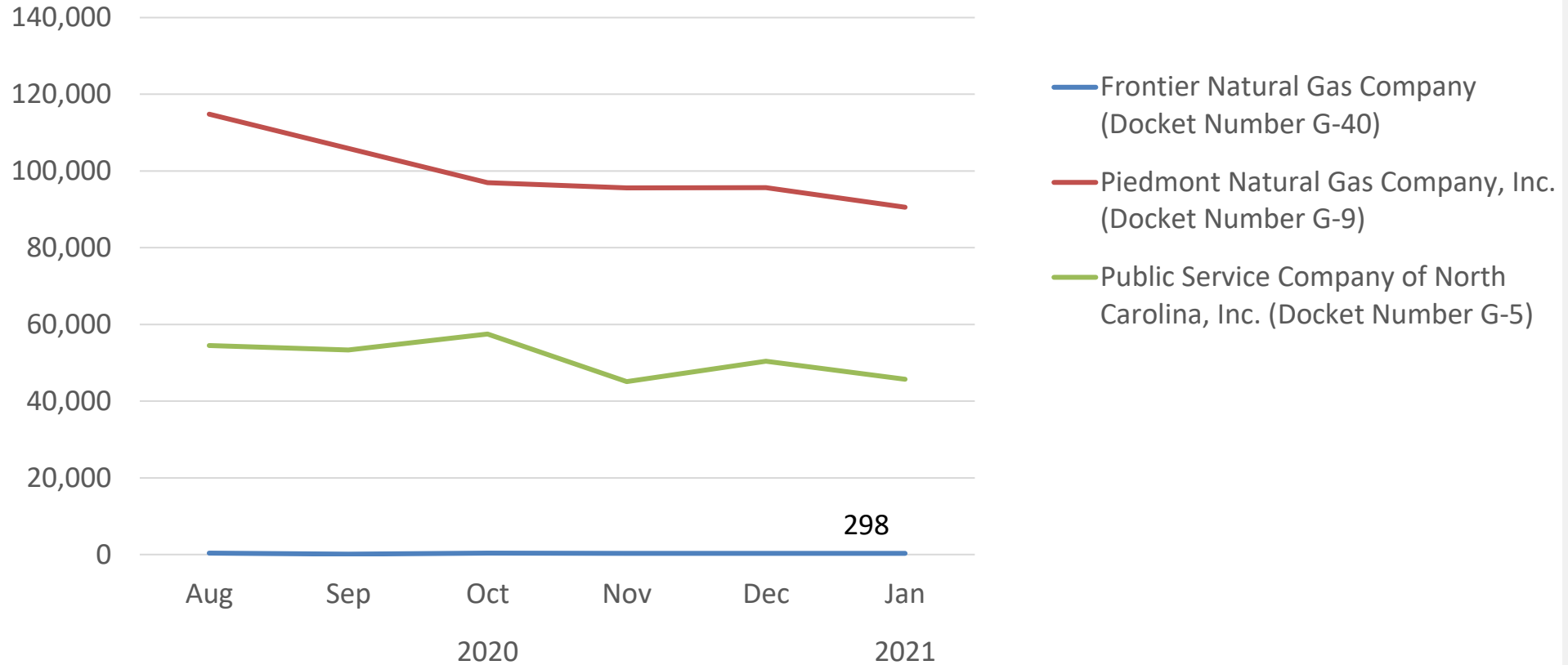


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



NATURAL GAS UTILITY ARREARAGES

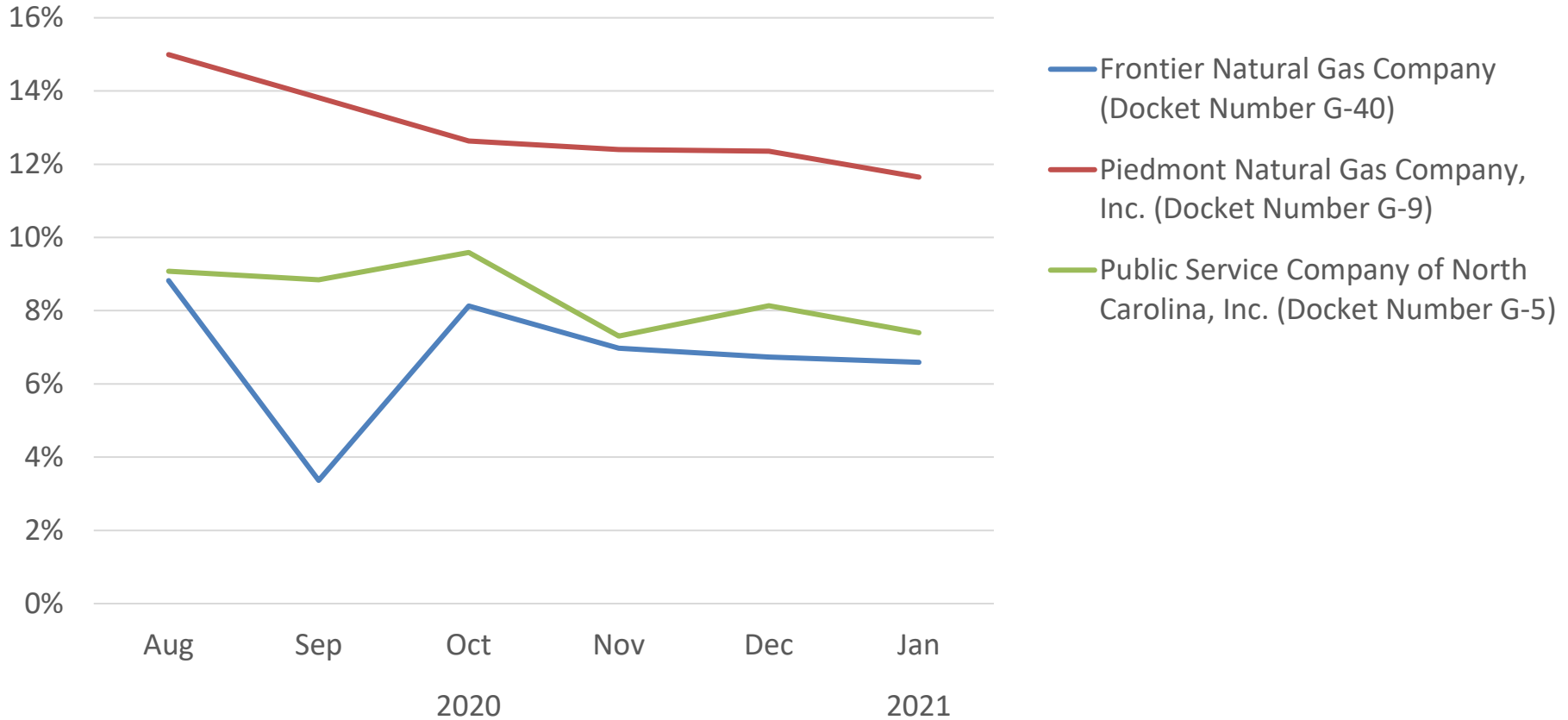
Number of Accounts Considered Past Due at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

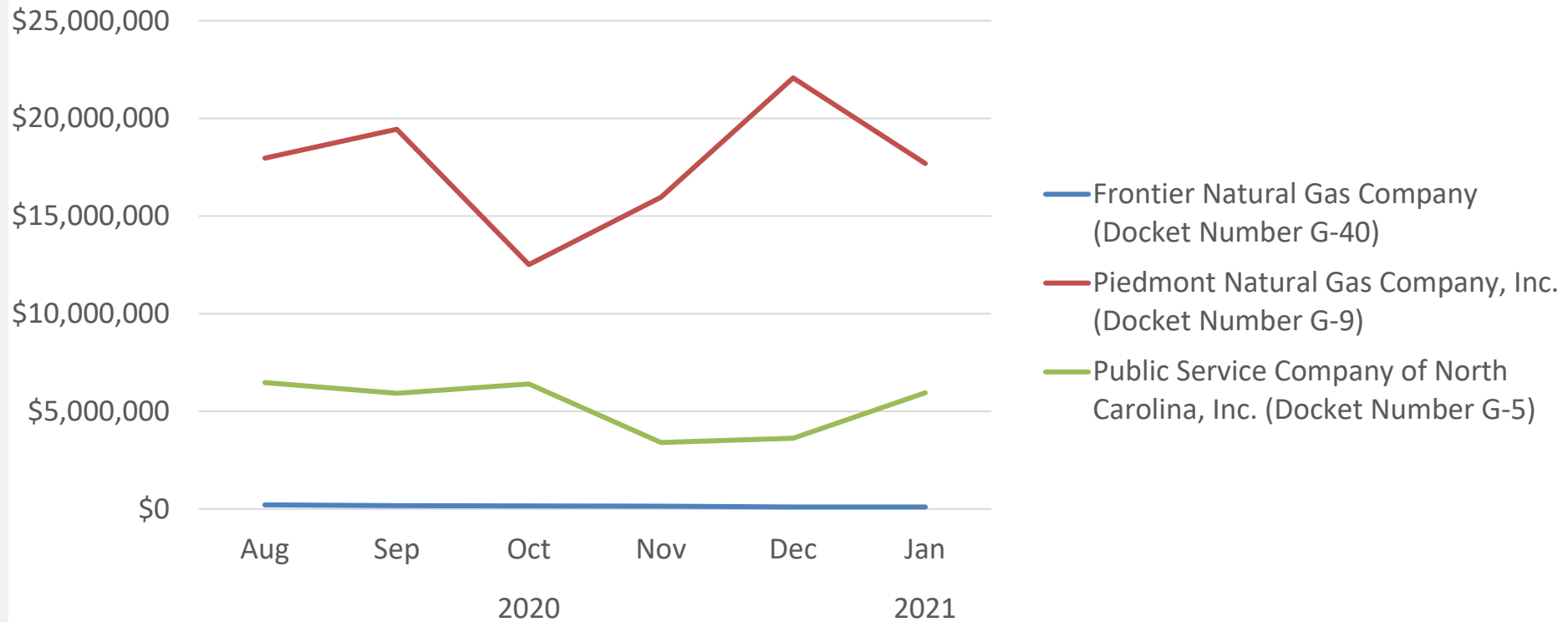


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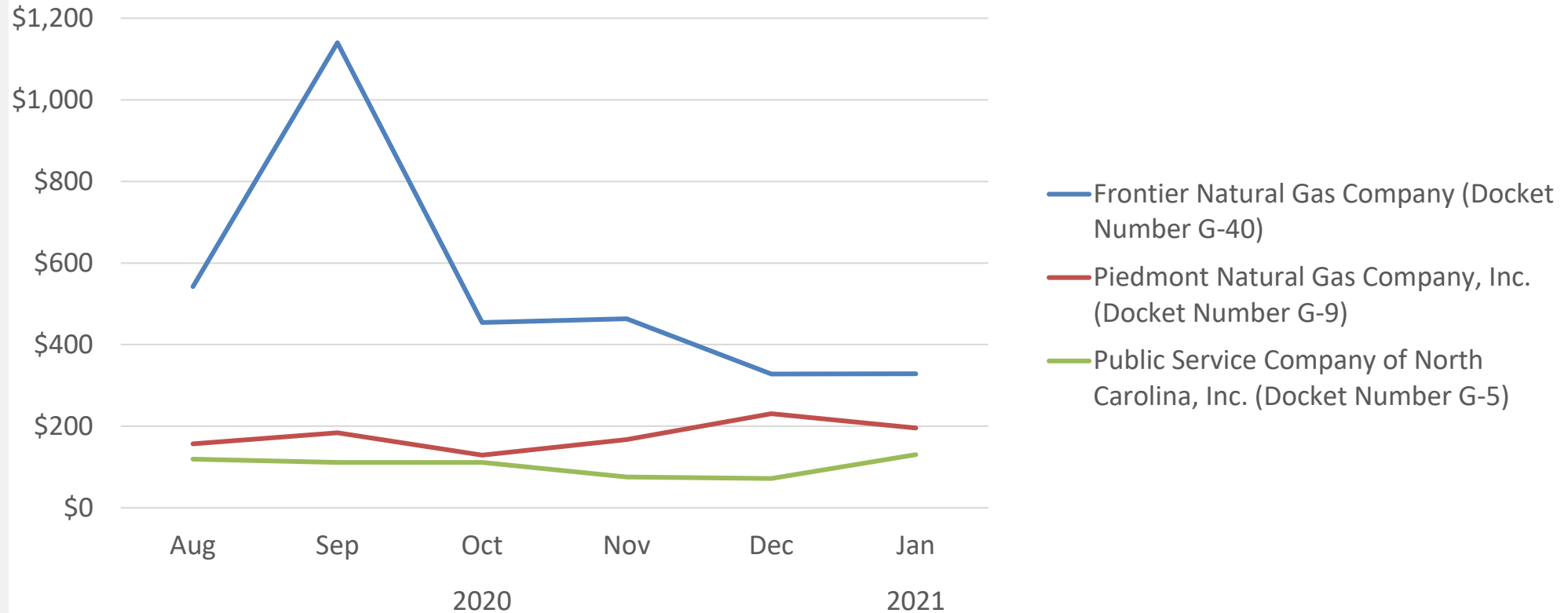
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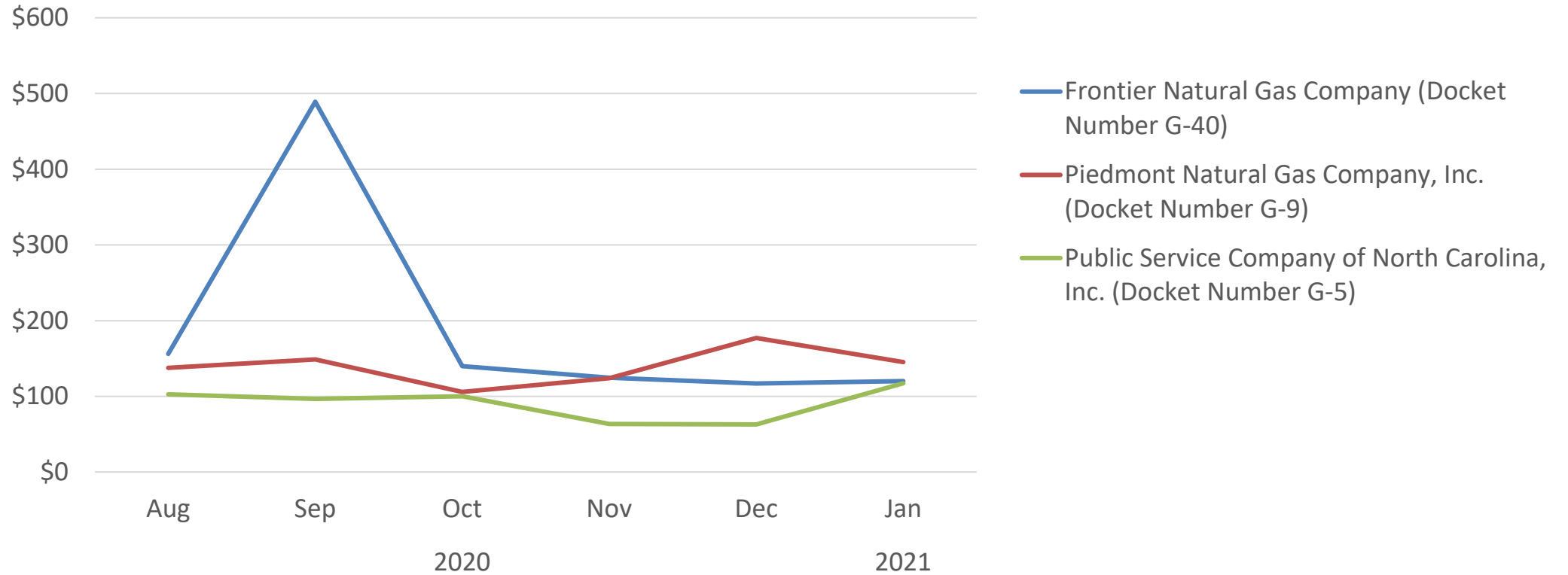
Average Arrears on Past Due Accounts at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only



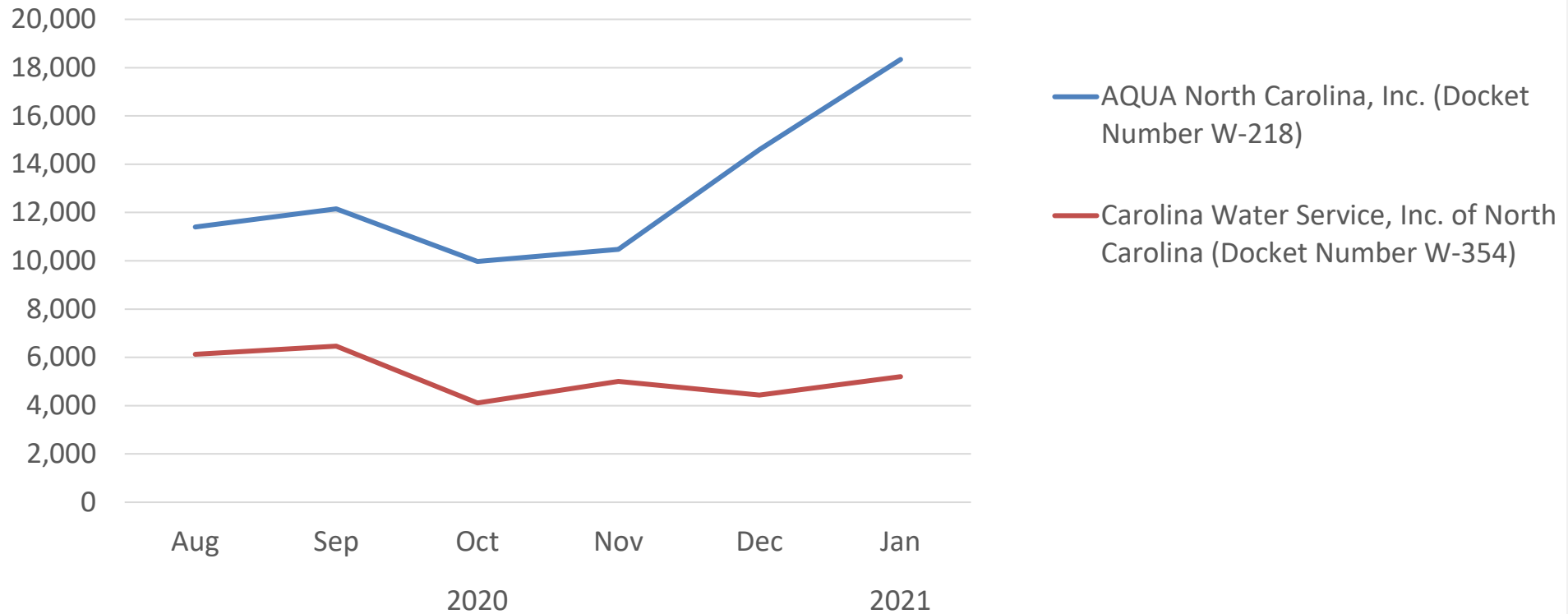
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



WATER & WASTEWATER UTILITY ARREARAGES - LARGEST 2 COMPANIES



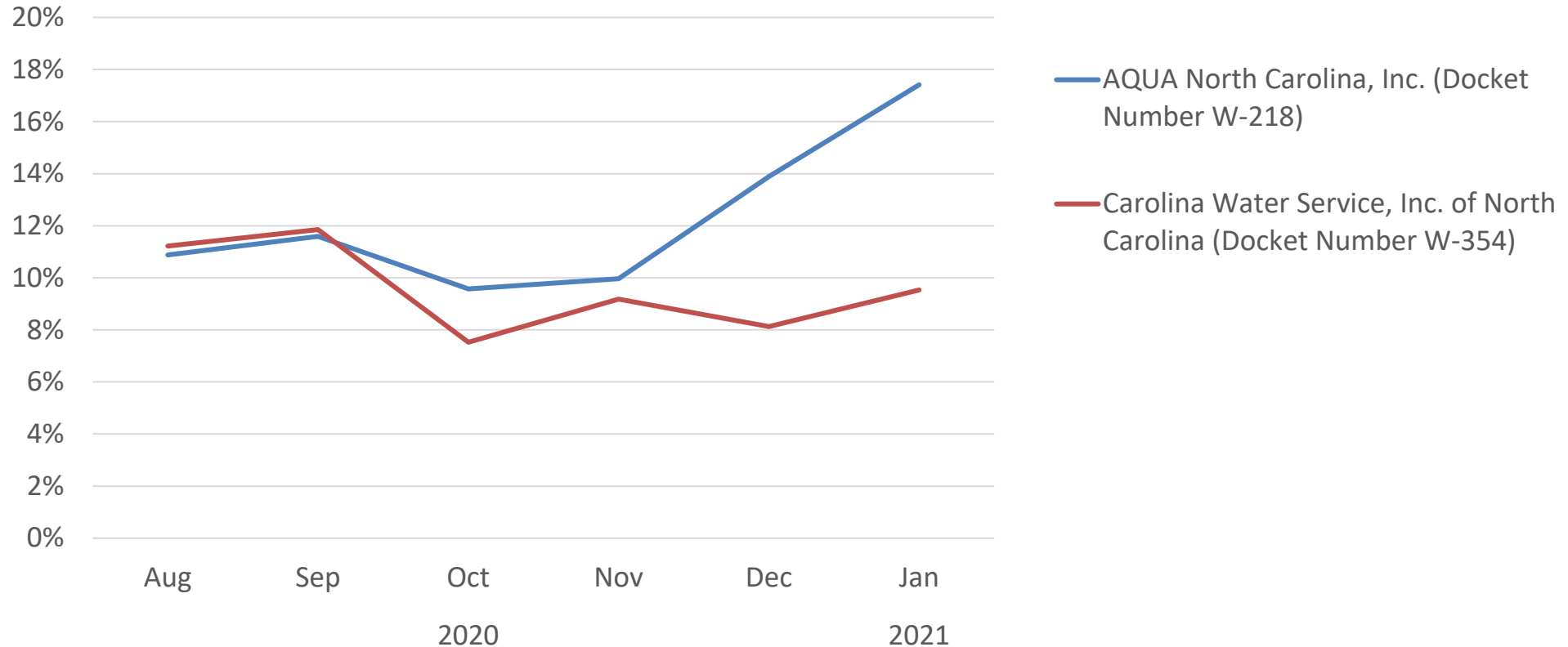
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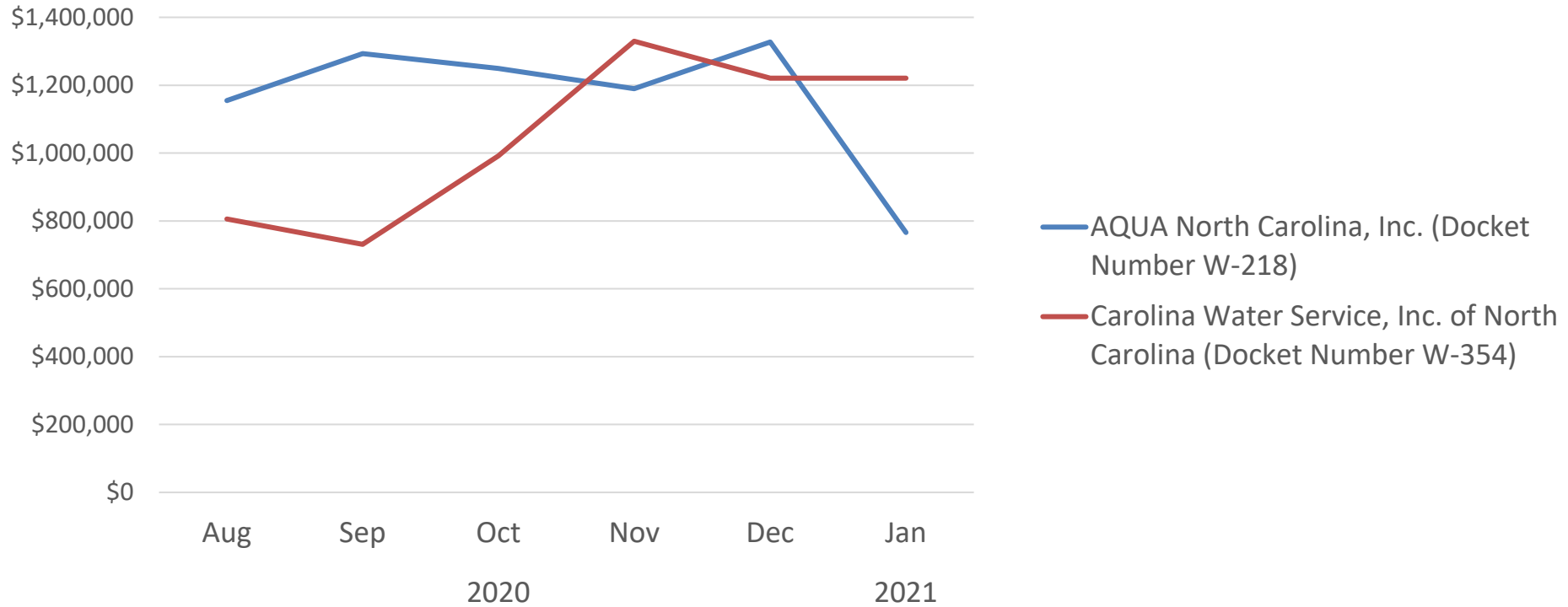
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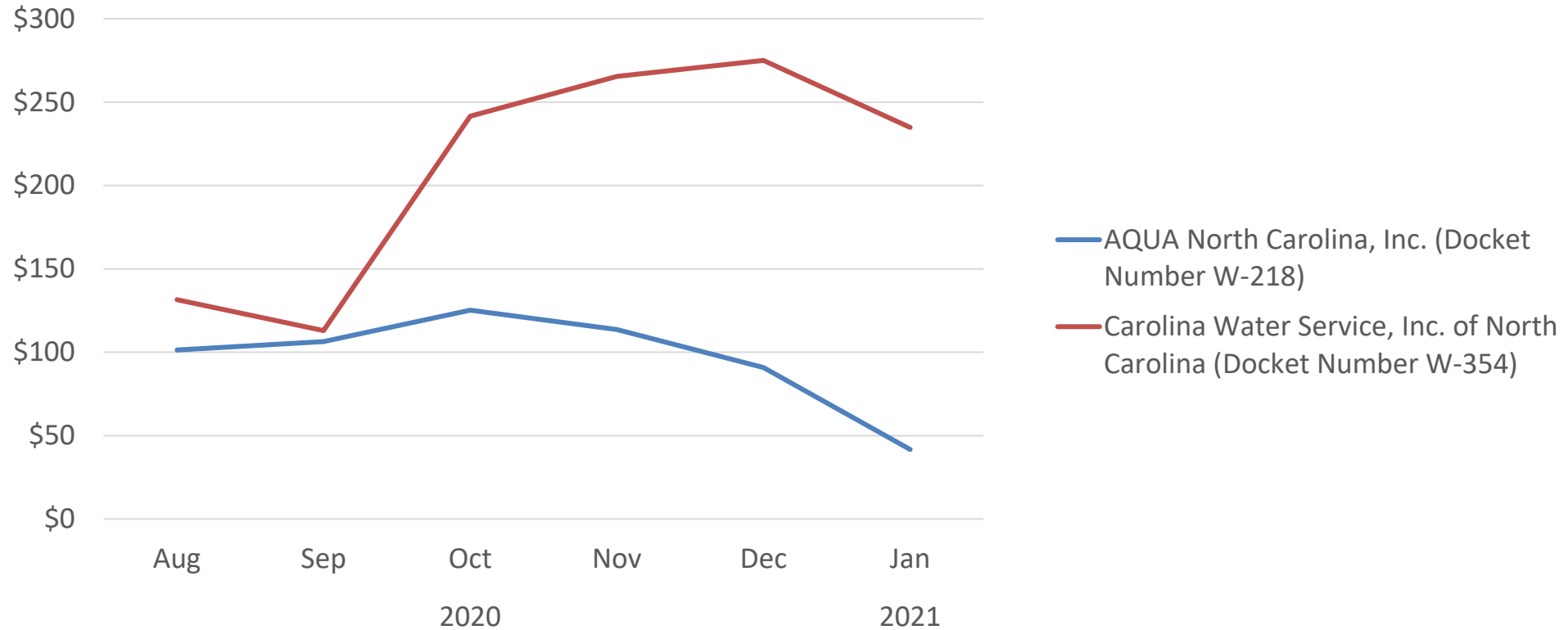
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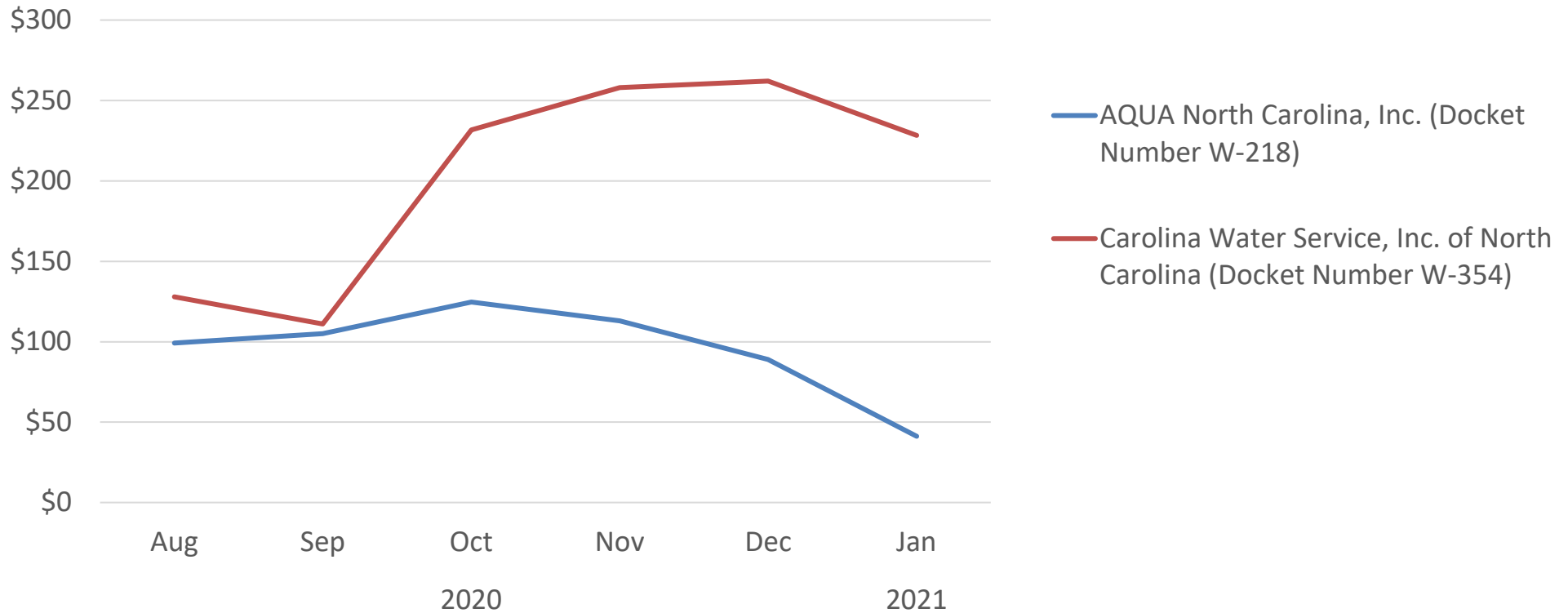
Average Arrears on Past Due Accounts at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only

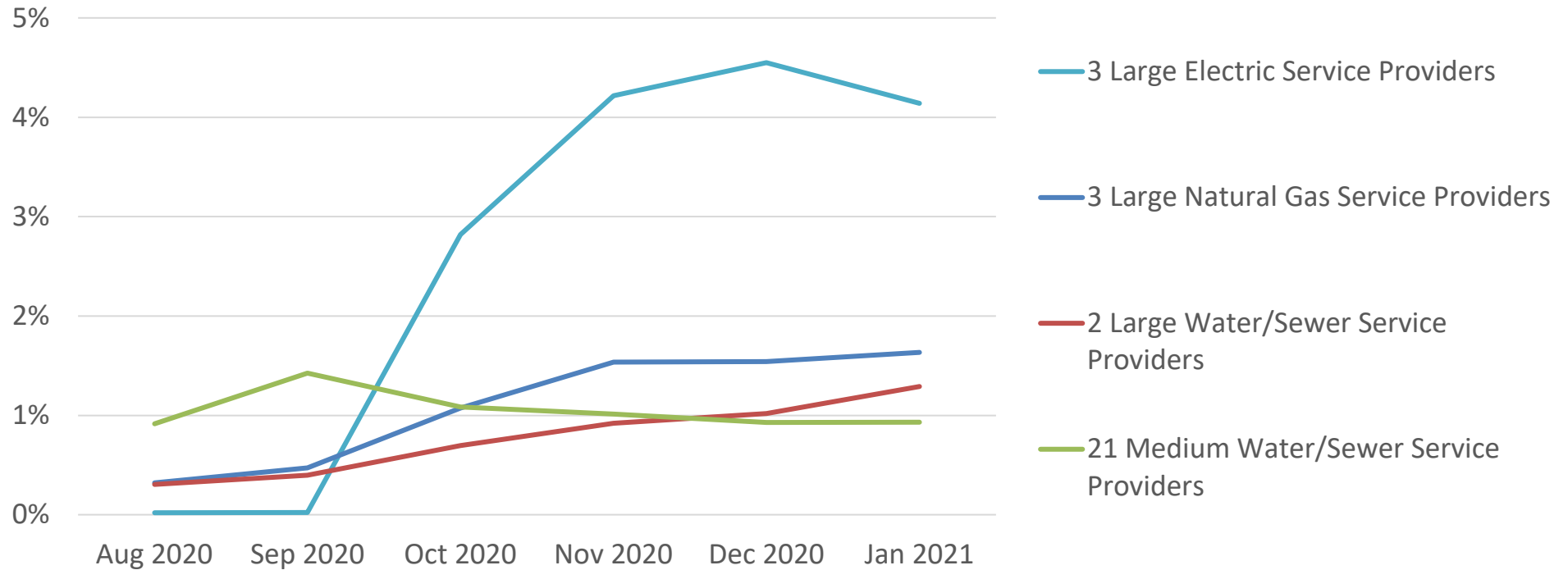


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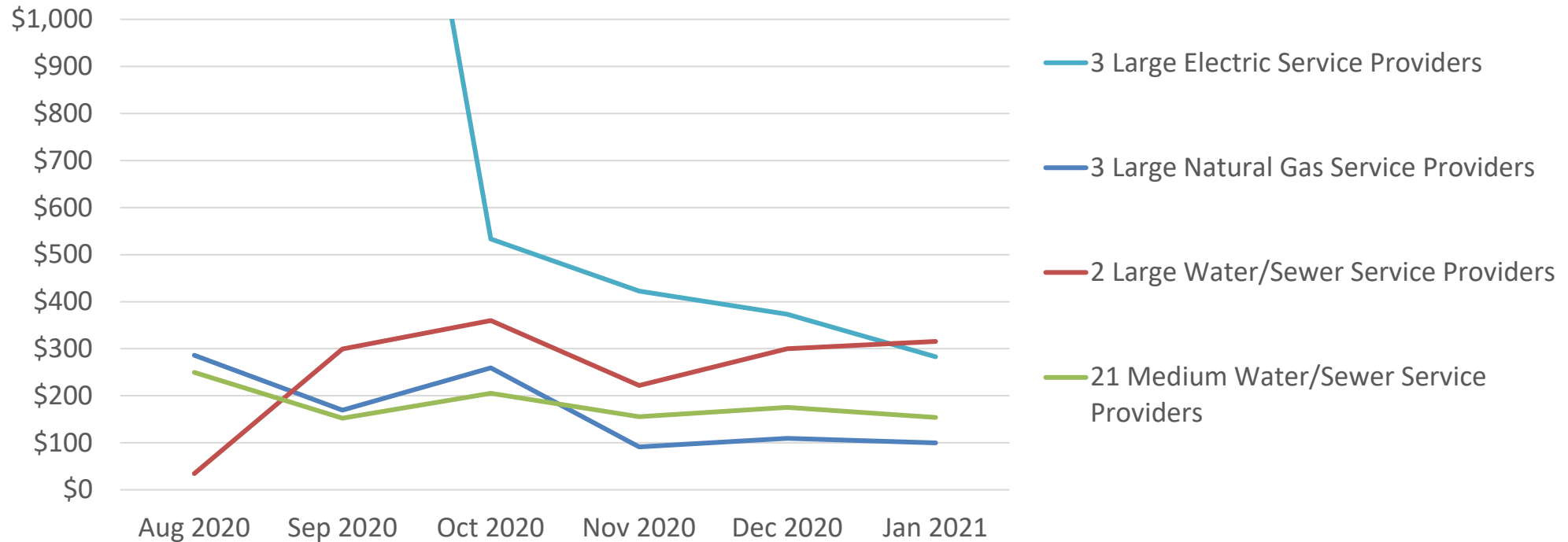
PAYMENT PLANS

Percentage of Accounts on Repayment Plans at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

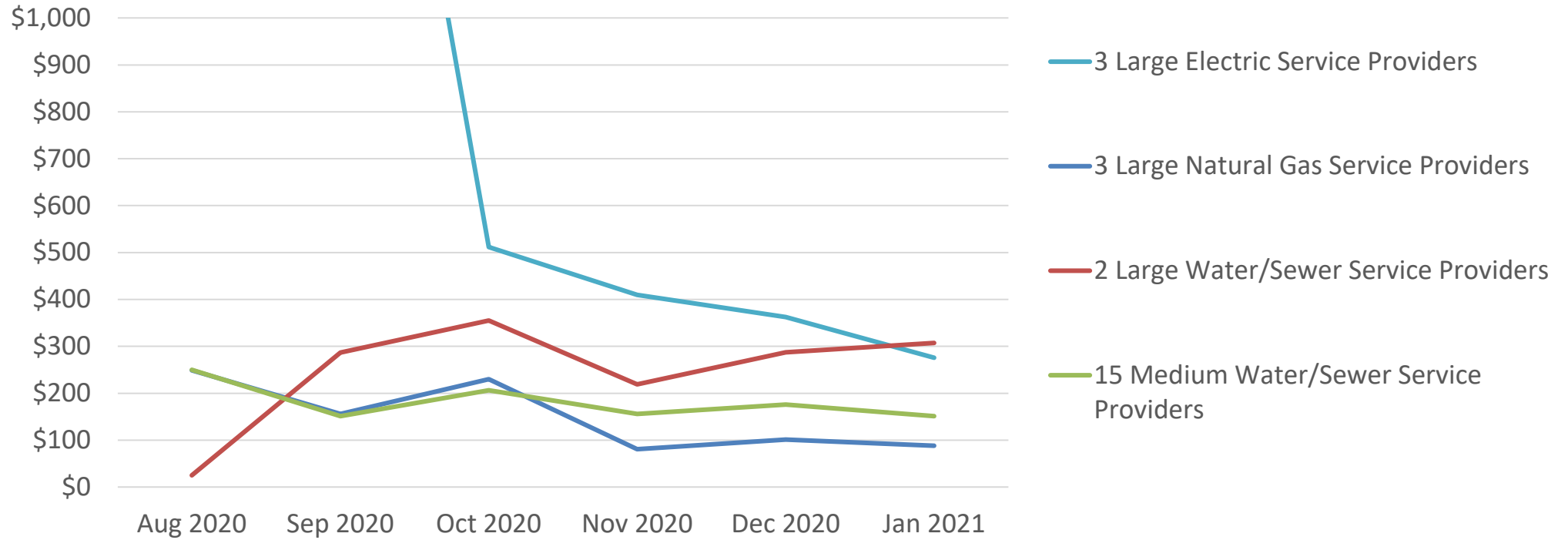
Average Balance on Repayment Plans at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.



Average Balance on Repayment Plans at the End of the Month: Residential Accounts Only



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Additional Information

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- Please contact Ellen Burns at eburns@ncuc.net or Warren Hicks at whicks@ncuc.net, if you have any questions or if you would like to be provided with any additional information.