

NORTH CAROLINA UTILITIES COMMISSION
REPORT ON MANDATORY COVID-19 STATE OF EMERGENCY MONTHLY REPORTING
FOR THE MONTH ENDED DECEMBER 31, 2020
Docket No. M-100, Sub 158

Tuesday, March 2, 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.

Forty utilities submitted reports covering the period December 1, 2020, through December 31, 2020, (see Appendix A for a full list of utilities submitting reports). Of the 40 utilities that reported, five are electricity providers, three are natural gas providers, and 32 are providers of water and/or wastewater services.

Accounts Past Due

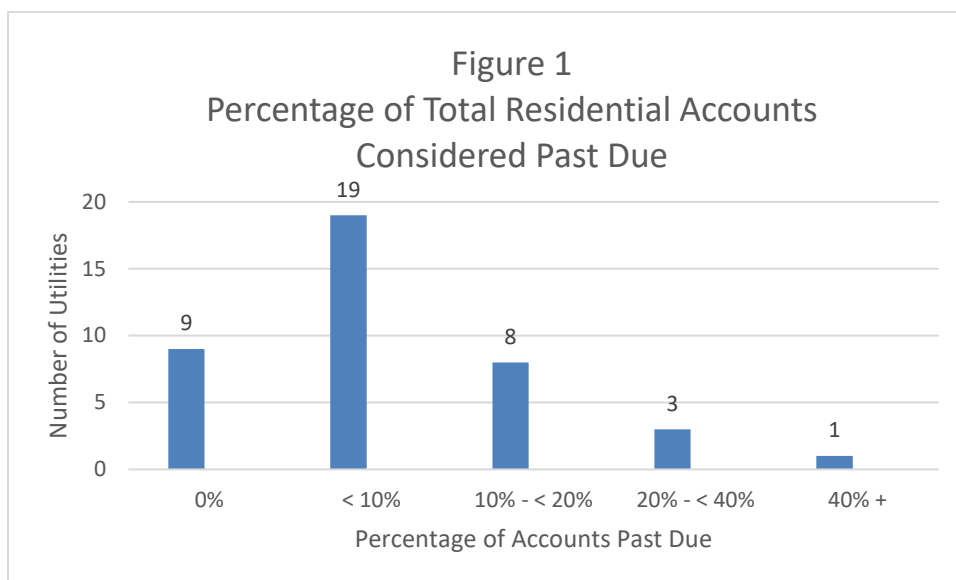
The reporting jurisdictional utilities reported that, as of December 31, 2020, an aggregate of \$187,386,576 in residential and nonresidential customer arrearages were 30 or more days past due (\$11,444,864 more than the amount of arrears reported as of November 30, 2020). Of the reported amount this month, approximately 84.1% or \$157,563,533 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	4,003,317	525,049	13.1%	\$157,563,533
Natural Gas	3	1,398,748	146,381	10.5%	\$25,794,507
Water and Wastewater	32	188,709	21,974	11.6%	\$4,028,536

As of December 31, 2020, electric utilities reported that 525,049 (13.1%) of their accounts were past due, and natural gas utilities reported that 146,381 (10.5%) of their accounts were past due. As of December 31, 2020, utilities providing water and/or wastewater services reported that 21,974 (11.6%) of their accounts were past due. The percentage of residential accounts past due

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

varied among individual utilities with nine utilities reporting no past due accounts and one water and wastewater utility reporting more than 40% of their accounts past due. Figure 1 depicts the range of percentages of residential accounts past due by the number of jurisdictional utilities that reported.



Disconnections, Reconnections, and Payment Plans

As of December 31, 2020, utilities reported carrying out 16,143 disconnections² during the month of December. Utilities reported that 200,429 residential accounts were on payment plans with the majority of these being reported by DEC and DEP.

Trends and Future Outlook

As of December 31, 2020, 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 vary in trend over time based on industry and size. Average arrears on past due accounts at the end of the month is increasing in December 2020 for most utilities but has increased the most for small water and sewer providers. Repayment plan enrollment has increased from October 2020 through December 2020, but the percentage of customers enrolling (while increasing) remains low. There are more enrolled in repayment plans in electric than in the other sectors. The average balance on repayments plans has continued to decrease from October 2020 to December 2020. Disconnections were nearly non-existent in August 2020 and September 2020, increasing a little in October 2020 and more drastically in November 2020. In December 2020, the percentage of disconnections decreased for most utilities; however, the largest water and sewer utilities showed an increase. The majority of disconnections for utilities ended up being reconnected (and most within 24 hours). The net number of customers disconnected and not reconnected decreased on average in December 2020 for the electric and natural gas groups but increased for the larger water and sewer utility group. (These trends can be seen on the graphs

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

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, 34 jurisdictional utilities confirmed that they had informed customers about the required payment plans. Six 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.

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	Corriher Water Service	Water and/or Wastewater
8	Cross-State Development Corporation	Water and/or Wastewater
9	Dominion Energy North Carolina	Electric
10	Duke Energy Carolinas, LLC	Electric
11	Duke Energy Progress, LLC	Electric
12	Enviro-Tech of North Carolina, Inc.	Water and/or Wastewater
13	Fearrington Utilities	Water and/or Wastewater
14	Frontier Natural Gas Company	Natural Gas
15	Gensinger; John	Water and/or Wastewater
16	GGCC Utility, Inc.	Water and/or Wastewater
17	Ginguite Woods Water Reclamation Association, Inc.	Water and/or Wastewater
18	HH Water, LLC	Water and/or Wastewater
19	Harkers Island Sewer Company, LLC	Water and/or Wastewater
20	Harrco Utility Corporation	Water and/or Wastewater
21	JL Golf Management, LLC	Water and/or Wastewater
22	KRJ, Inc.	Water and/or Wastewater
23	Lake Junaluska Assembly, Inc.	Water and/or Wastewater
24	Meadowsland Development, LLC	Water and/or Wastewater
25	MECO Utilities, Inc.	Water and/or Wastewater
26	New River Light and Power Company	Electric
27	Old North State Water Company, LLC	Water and/or Wastewater
28	Old North Utility Services, Inc.	Water and/or Wastewater
29	Piedmont Natural Gas Company, Inc.	Natural Gas
30	Pine Island Currituck, LLC	Water and/or Wastewater
31	Pluris Hampstead, LLC	Water and/or Wastewater
32	Pluris Webb Creek, LLC	Water and/or Wastewater
33	Pluris, LLC	Water and/or Wastewater
34	Public Service Company of North Carolina, Inc.	Natural Gas
35	Sandler Utilities At Mill Run LLC	Water and/or Wastewater
36	Saxapahaw Utility Company	Water and/or Wastewater
37	Scientific Water and Sewerage Corporation	Water and/or Wastewater
38	South Asheville Water Works	Water and/or Wastewater
39	Total Environmental Solutions, Inc.	Water and/or Wastewater
40	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 1, 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



COVID-19 STATE OF EMERGENCY MONTHLY REPORTING TRENDS

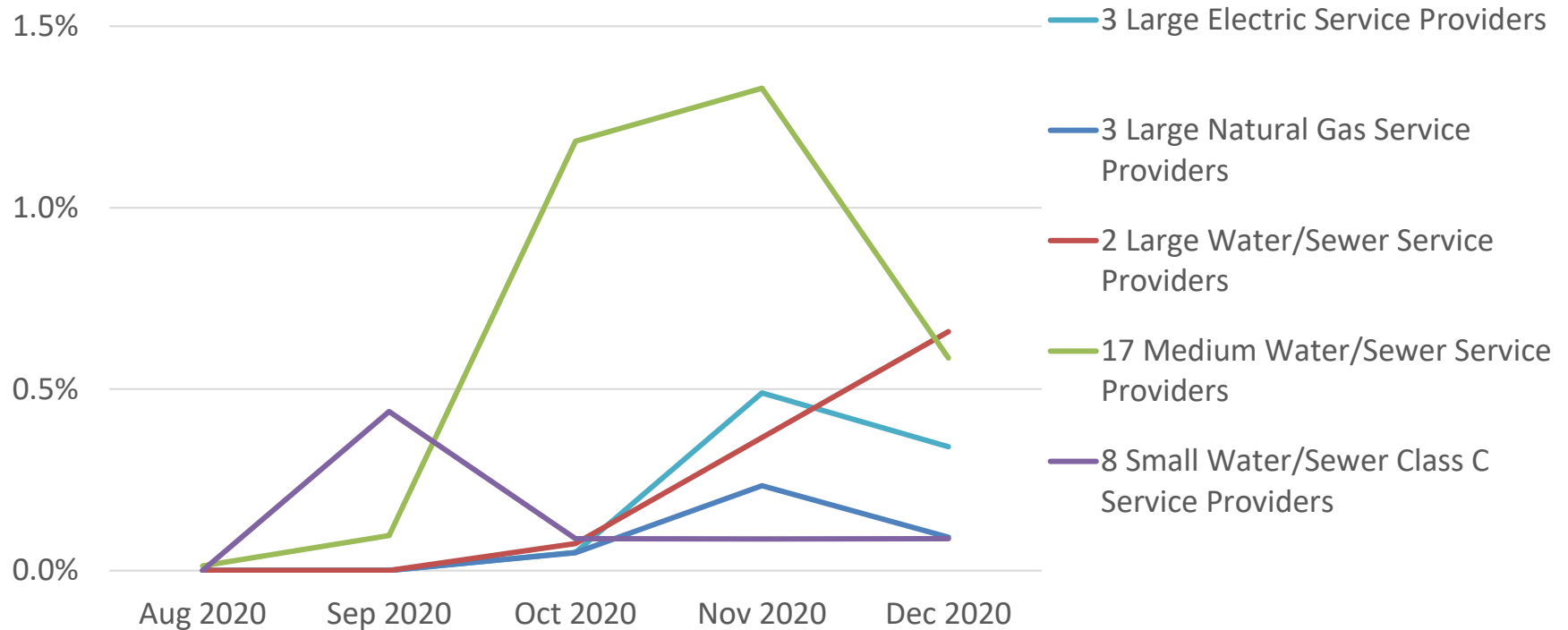
IMPACTS OF COVID-19 ON REGULATED UTILITIES AND CUSTOMERS

- 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 increasing in December for most utilities but has increased the most for small water and sewer providers
- Repayment plan enrollment has increased from October through December, but the percentage of customers enrolling (while increasing) remains low. There are more enrolled in electric than in the other sectors
- The average balance on repayments plans has continued to decrease from October to December
- Disconnections were nearly non-existent in August and September, increasing a little in October and more drastically in November. In December, the percentage of disconnections decreased for most utilities; however, the largest water and sewer utilities showed an increase. The majority of disconnections ended up being reconnected (and most within 24 hours)
- The net number of customers disconnected and not reconnected decreased on average in December for the electric and natural gas utility groups but increased for the larger water and sewer utility group



CUSTOMER DISCONNECTIONS

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



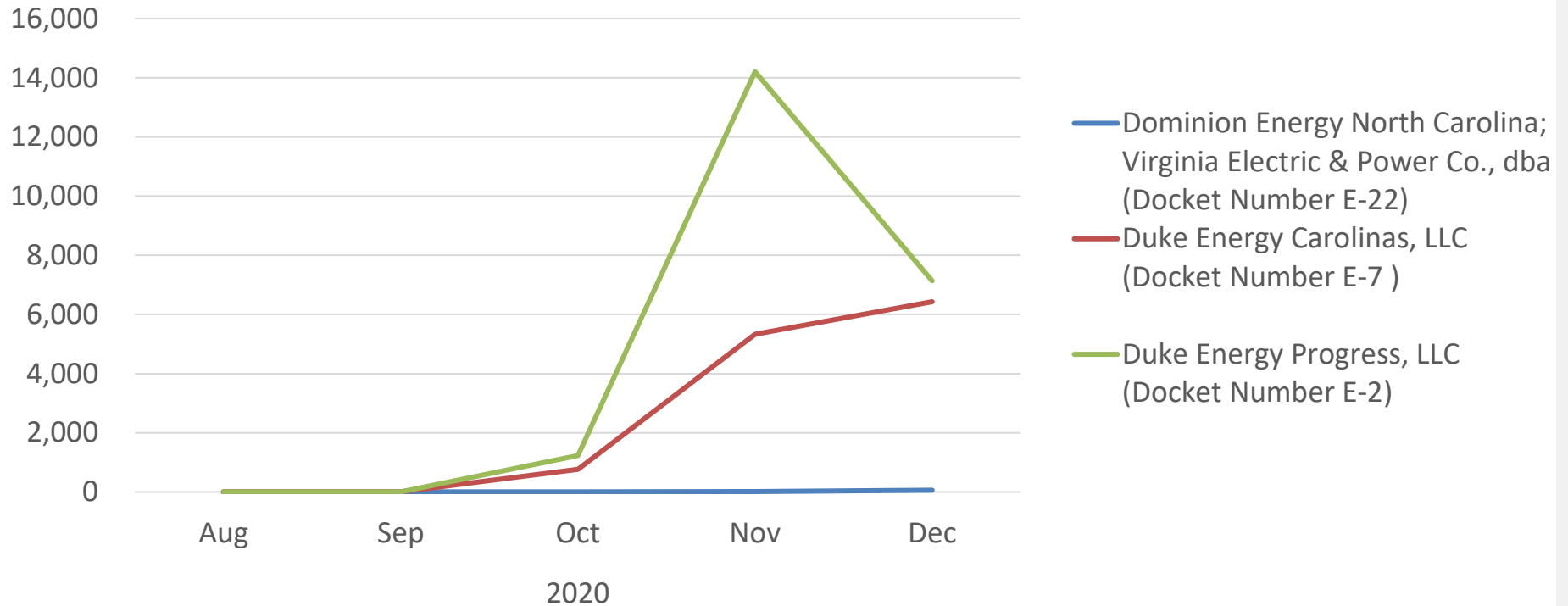
Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.



DISCONNECTIONS BY ELECTRIC UTILITIES



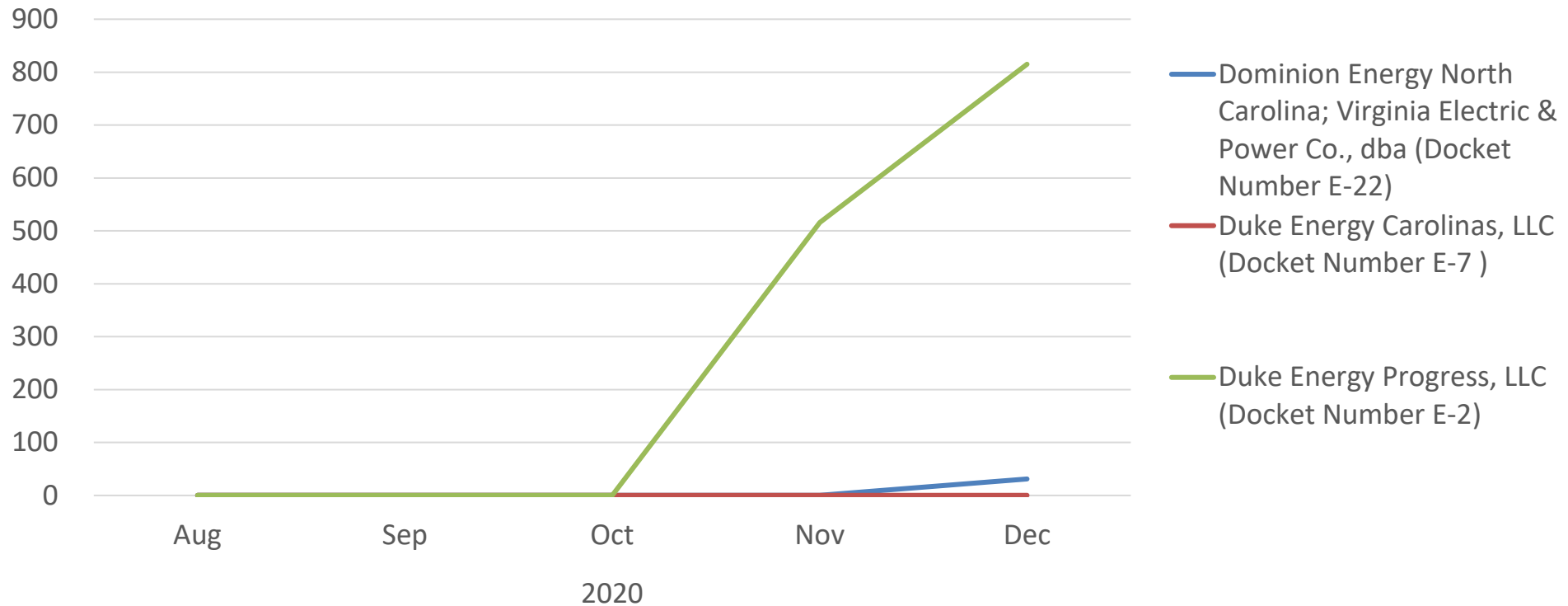
Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)



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



Number of Accounts Disconnected for at Least 7 Days at the End of the Month

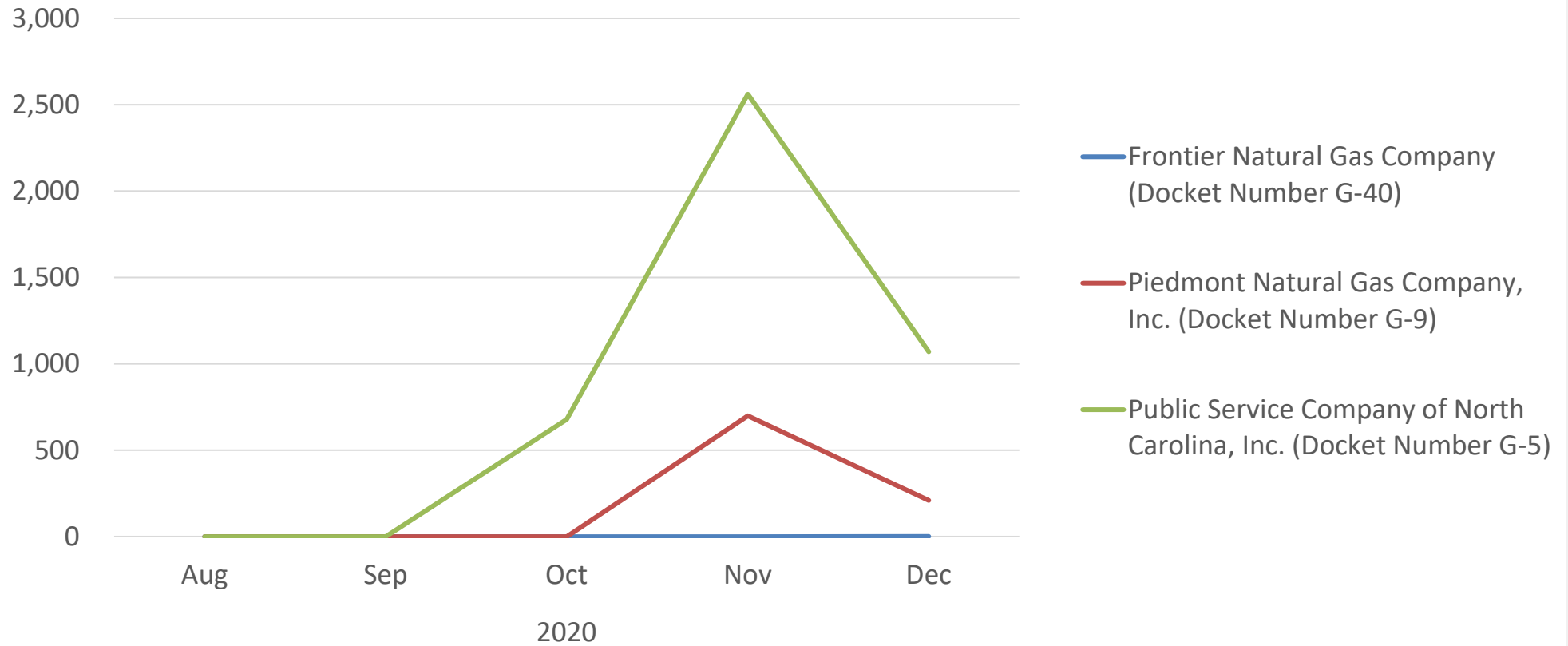


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



DISCONNECTIONS BY NATURAL GAS UTILITIES

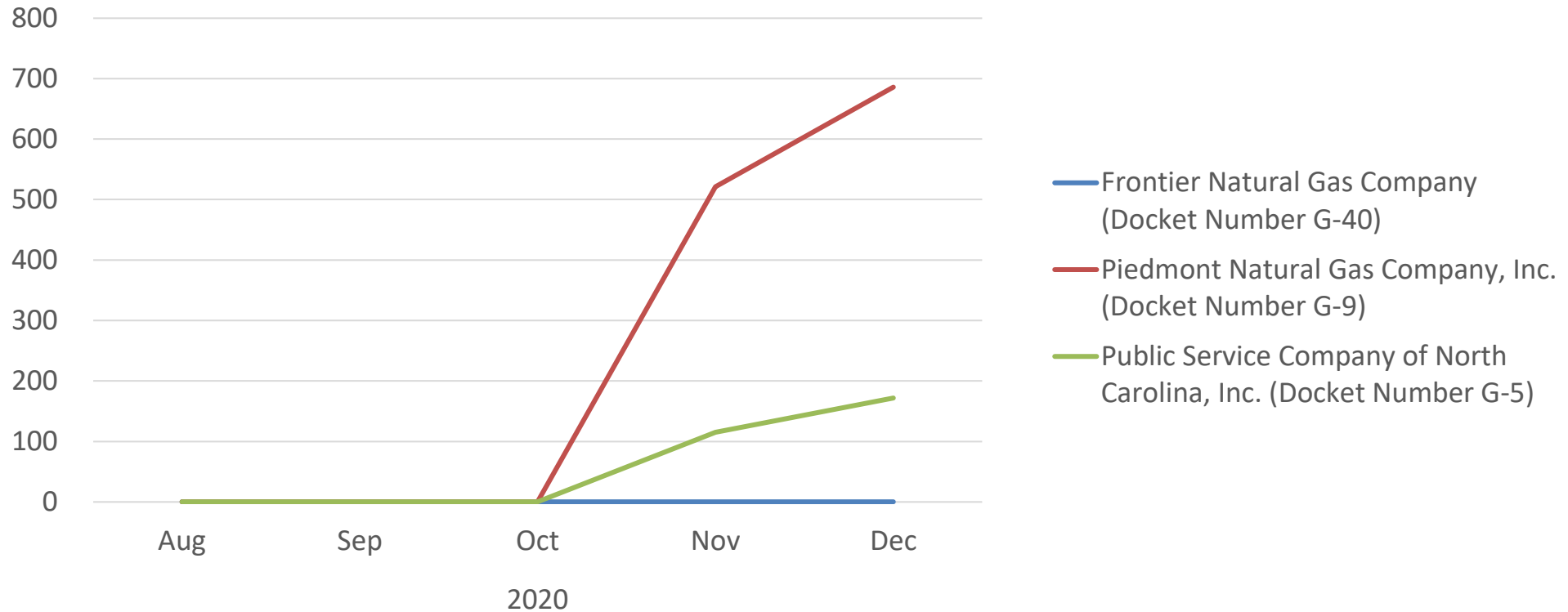
Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)



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



Number of Accounts Disconnected for at Least 7 Days at the End of the Month

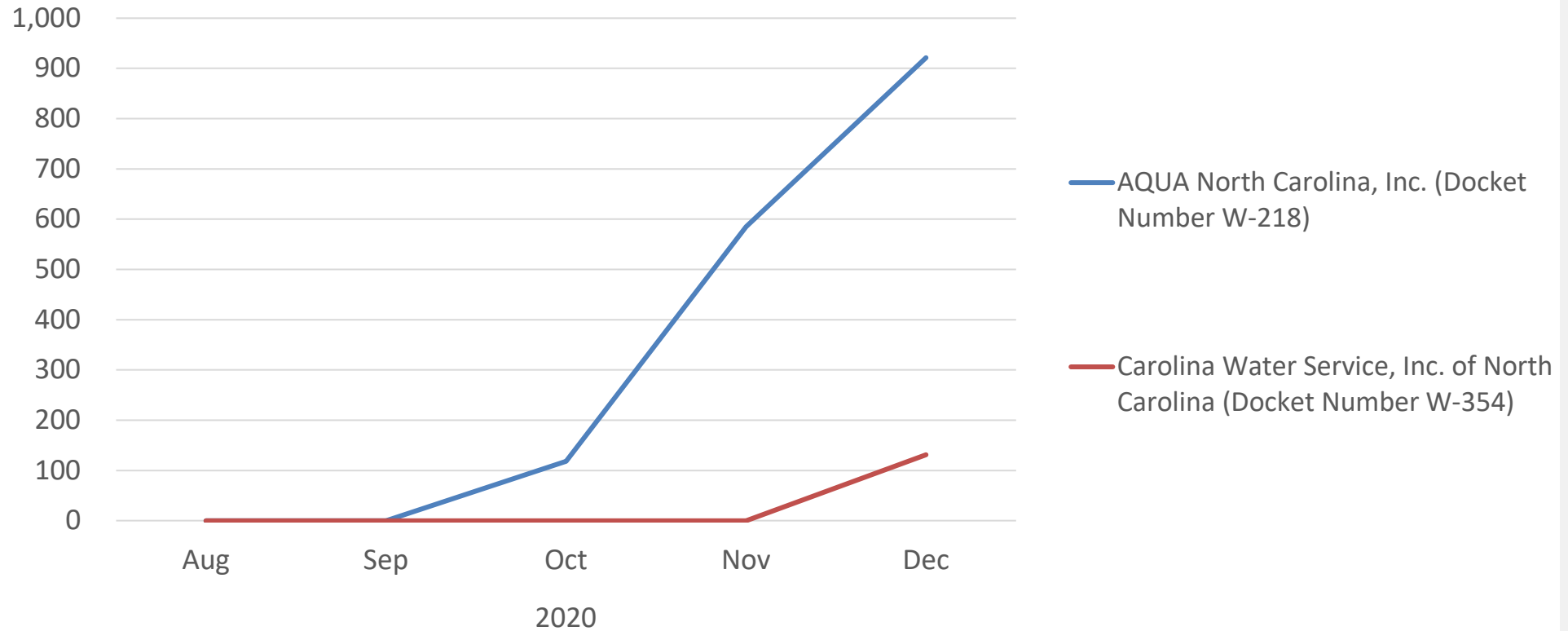


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



DISCONNECTIONS BY WATER & WASTEWATER UTILITIES – LARGEST 2 COMPANIES

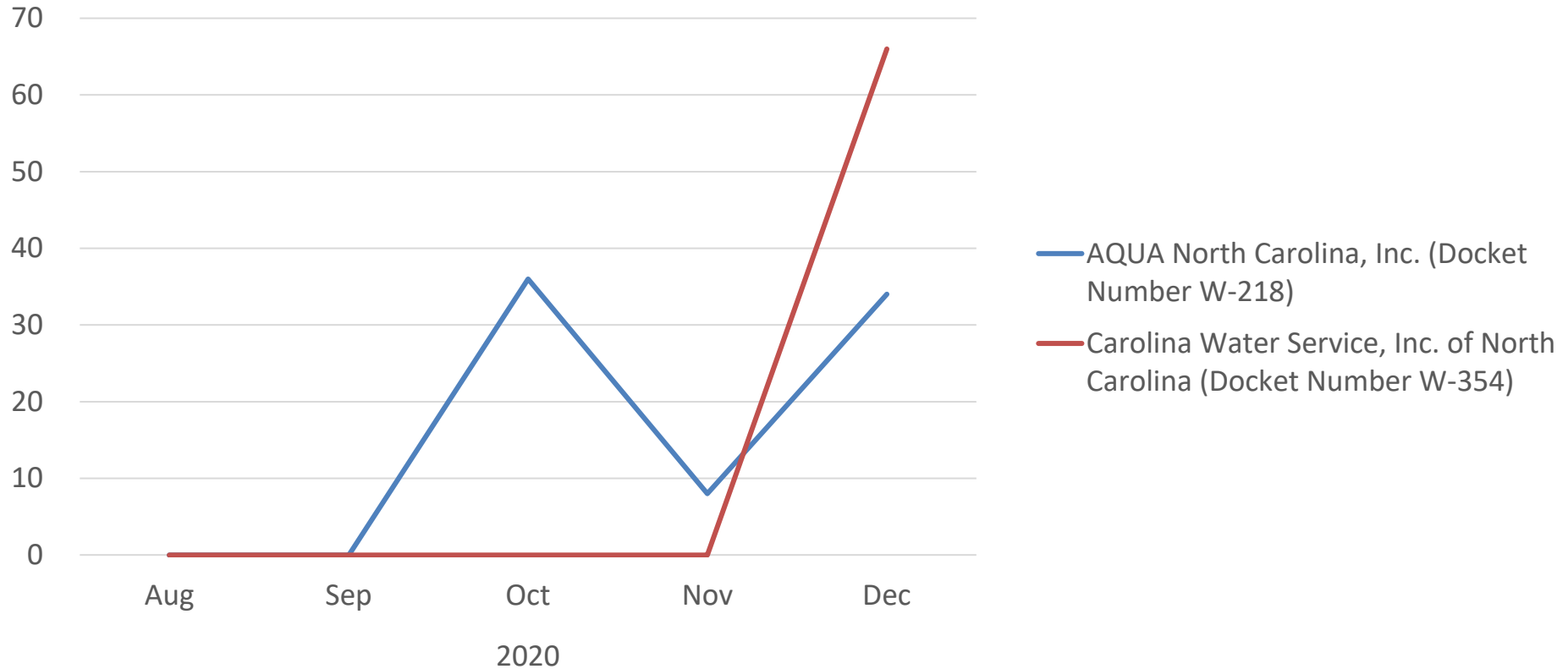
Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)



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Number of Accounts Disconnected for at Least 7 Days at the End of the Month

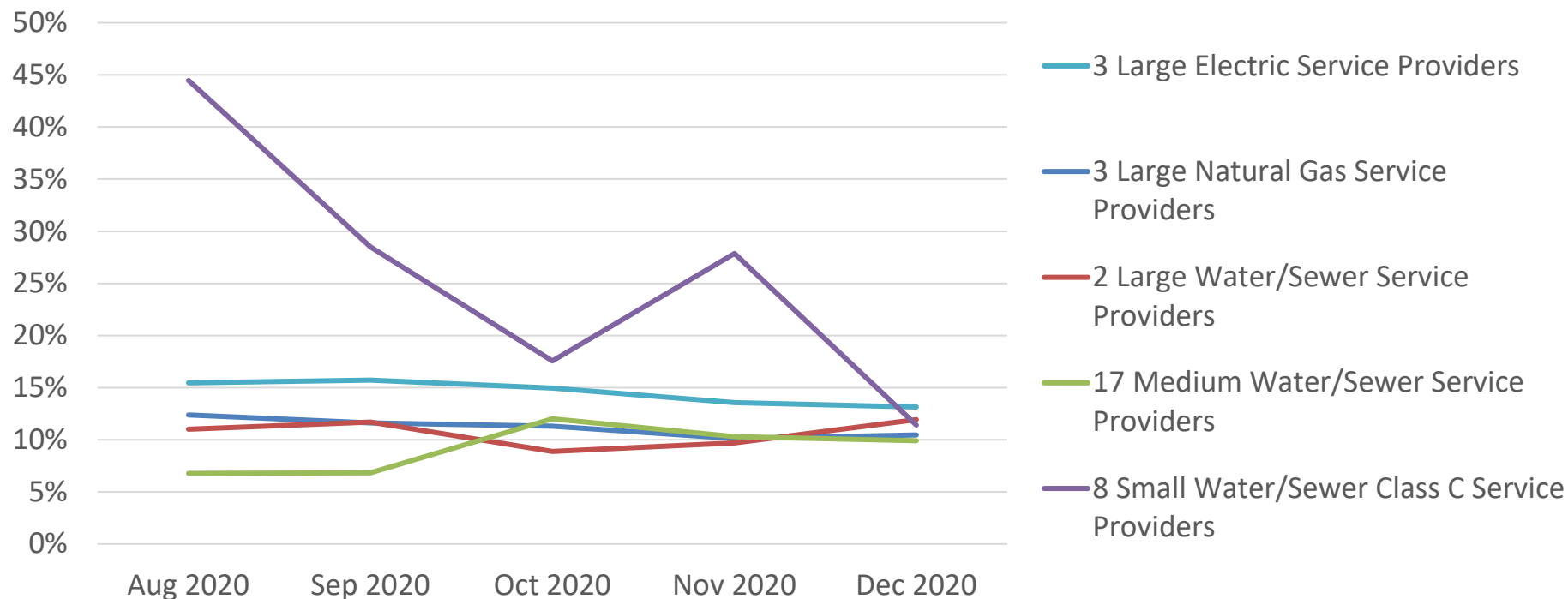


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



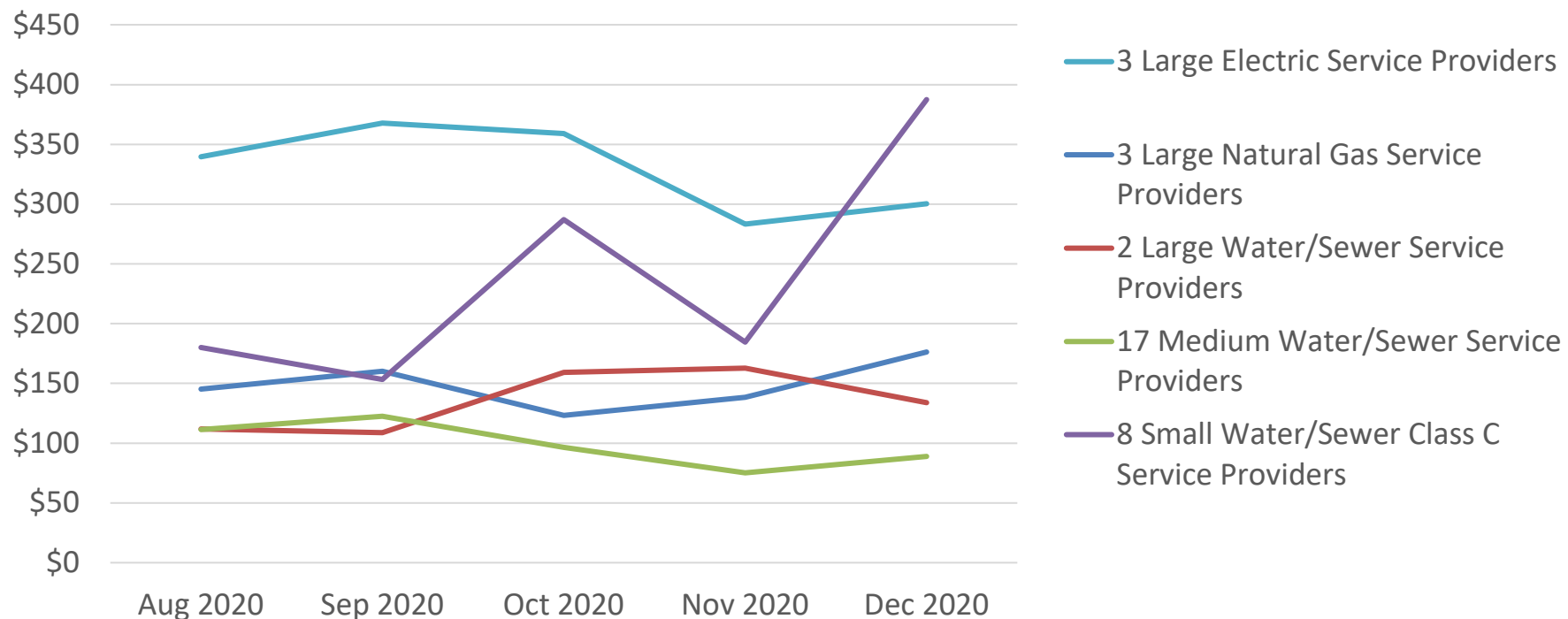
ARREARAGES

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



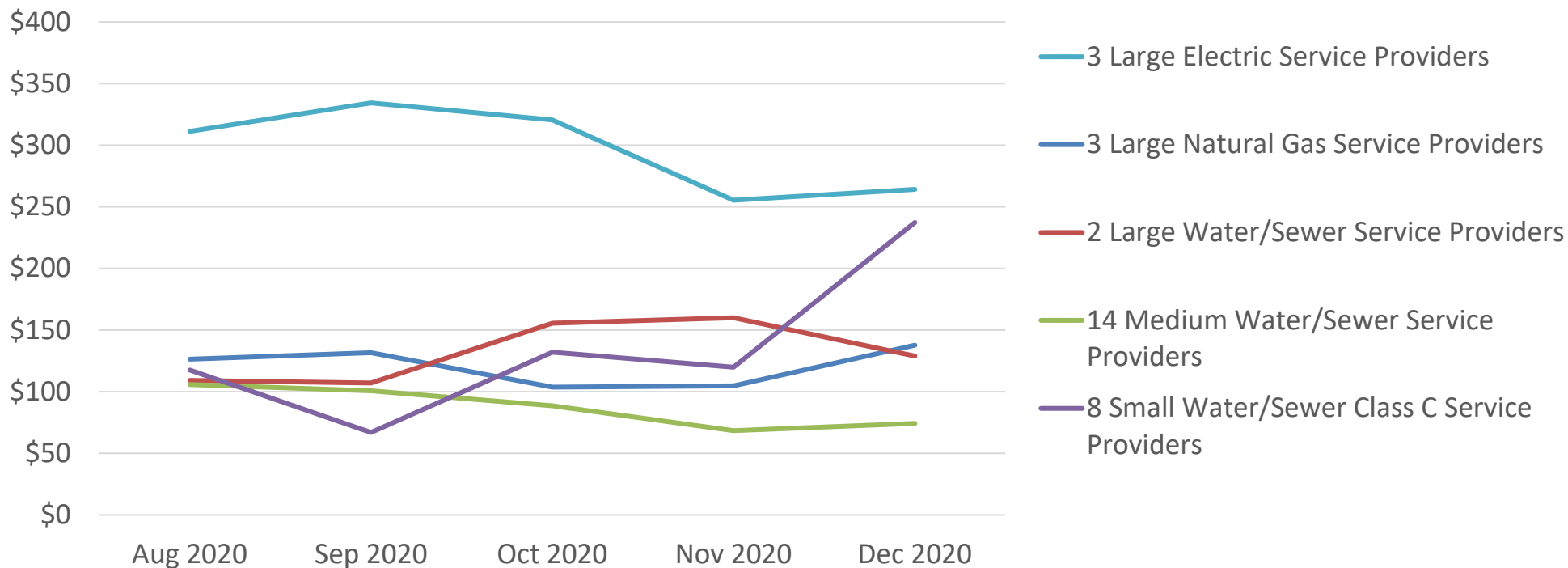
Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

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

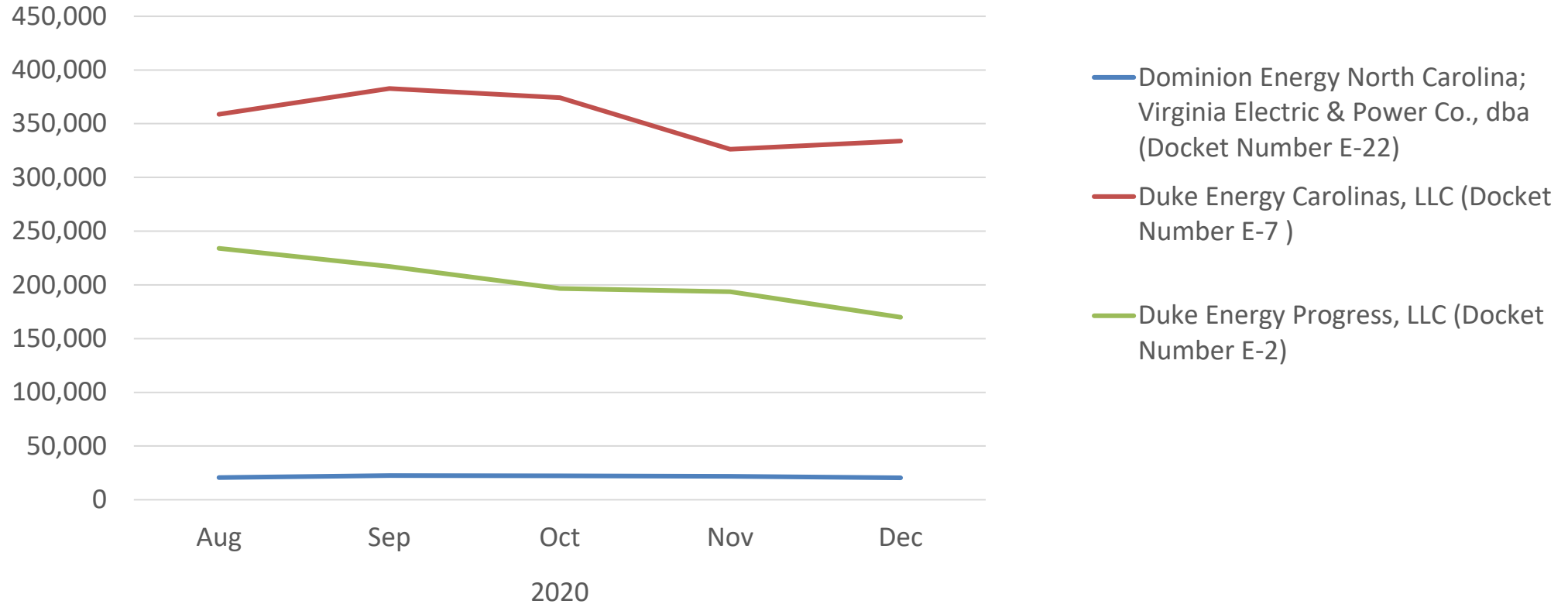


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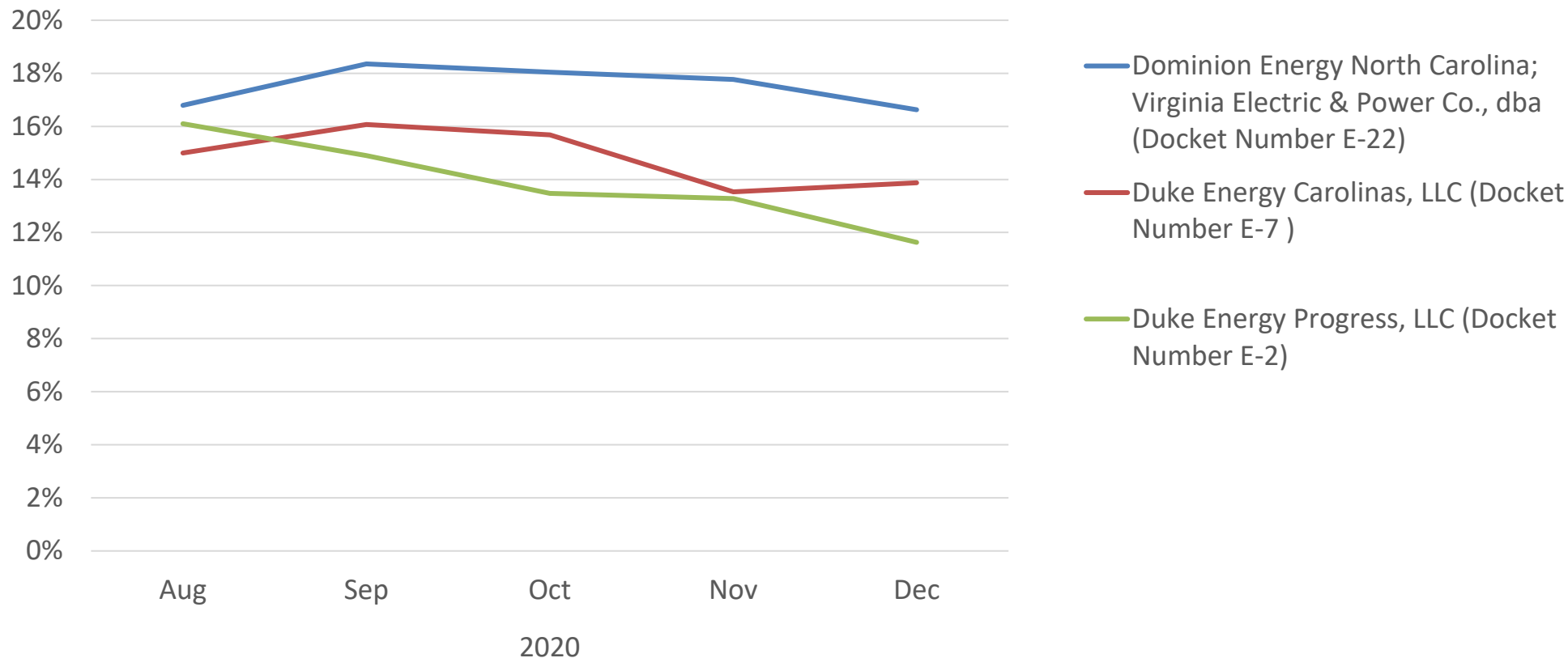
ELECTRIC UTILITY ARREARAGES

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



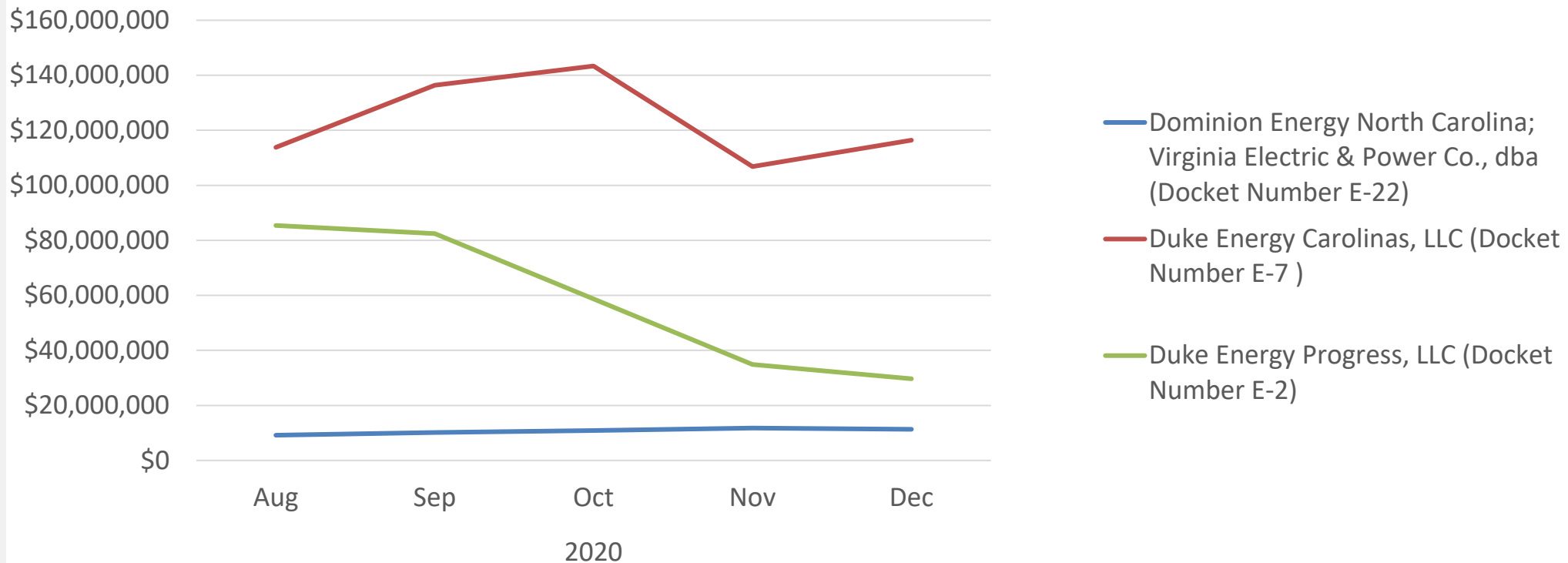
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

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



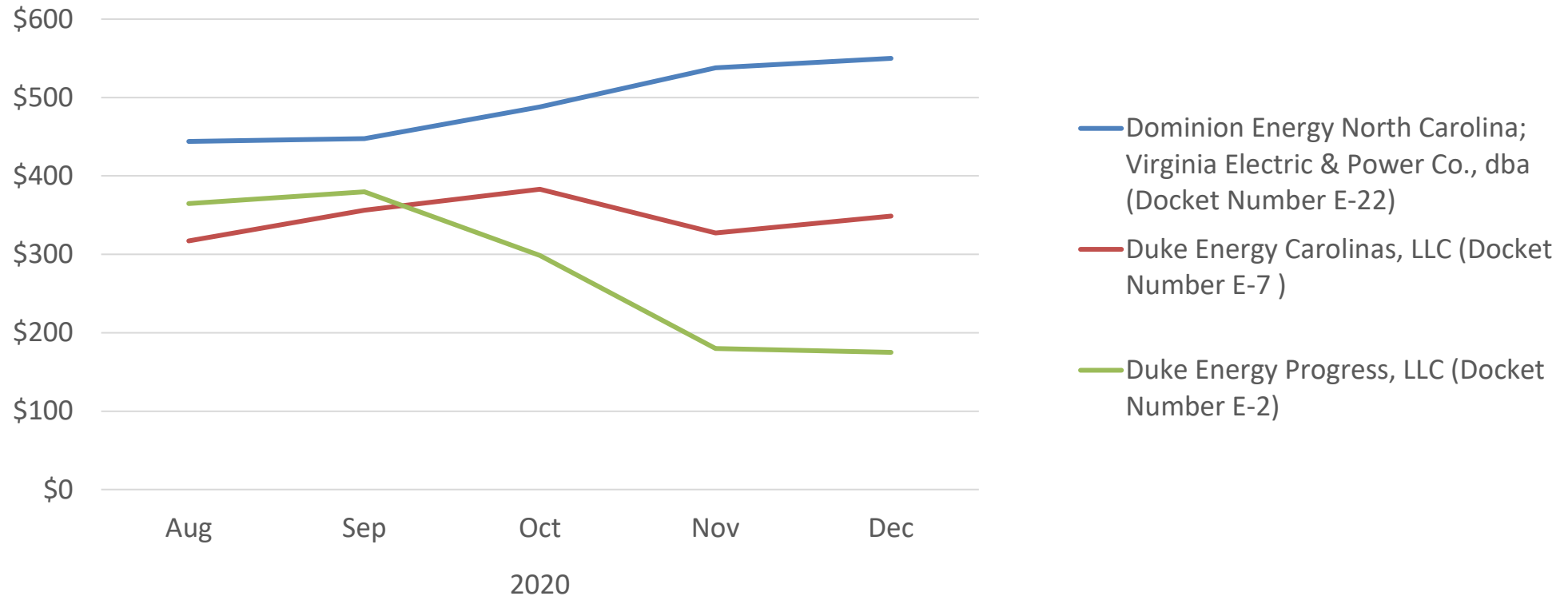
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

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.

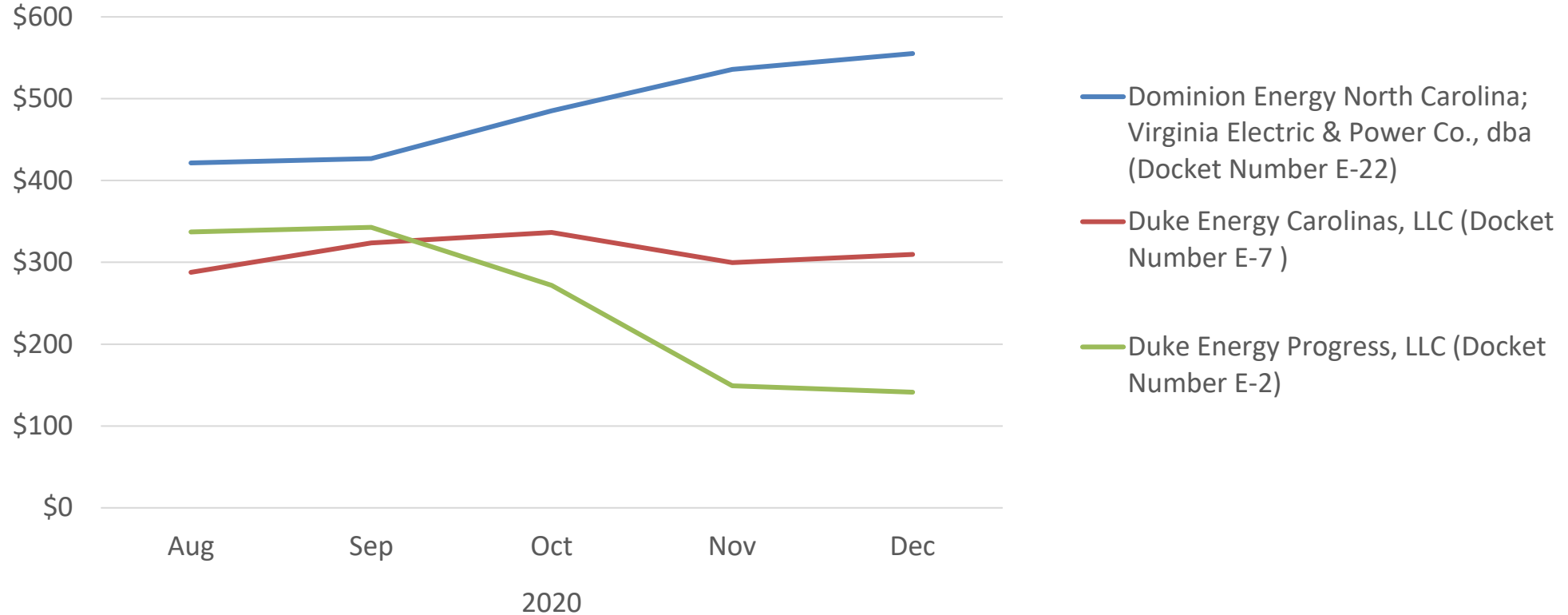
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Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only



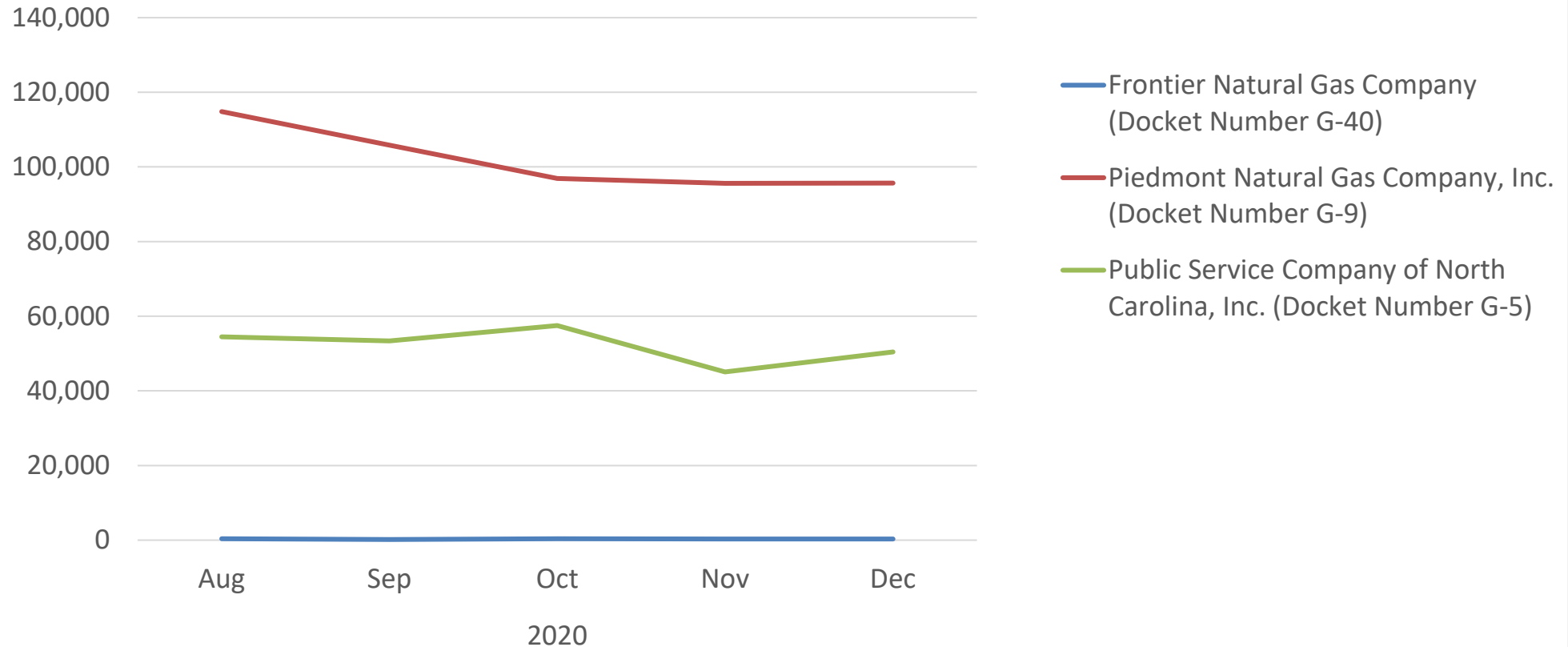
source: Data reported by the utility service providers to the North Carolina Utilities Commission.



NATURAL GAS UTILITY ARREARAGES



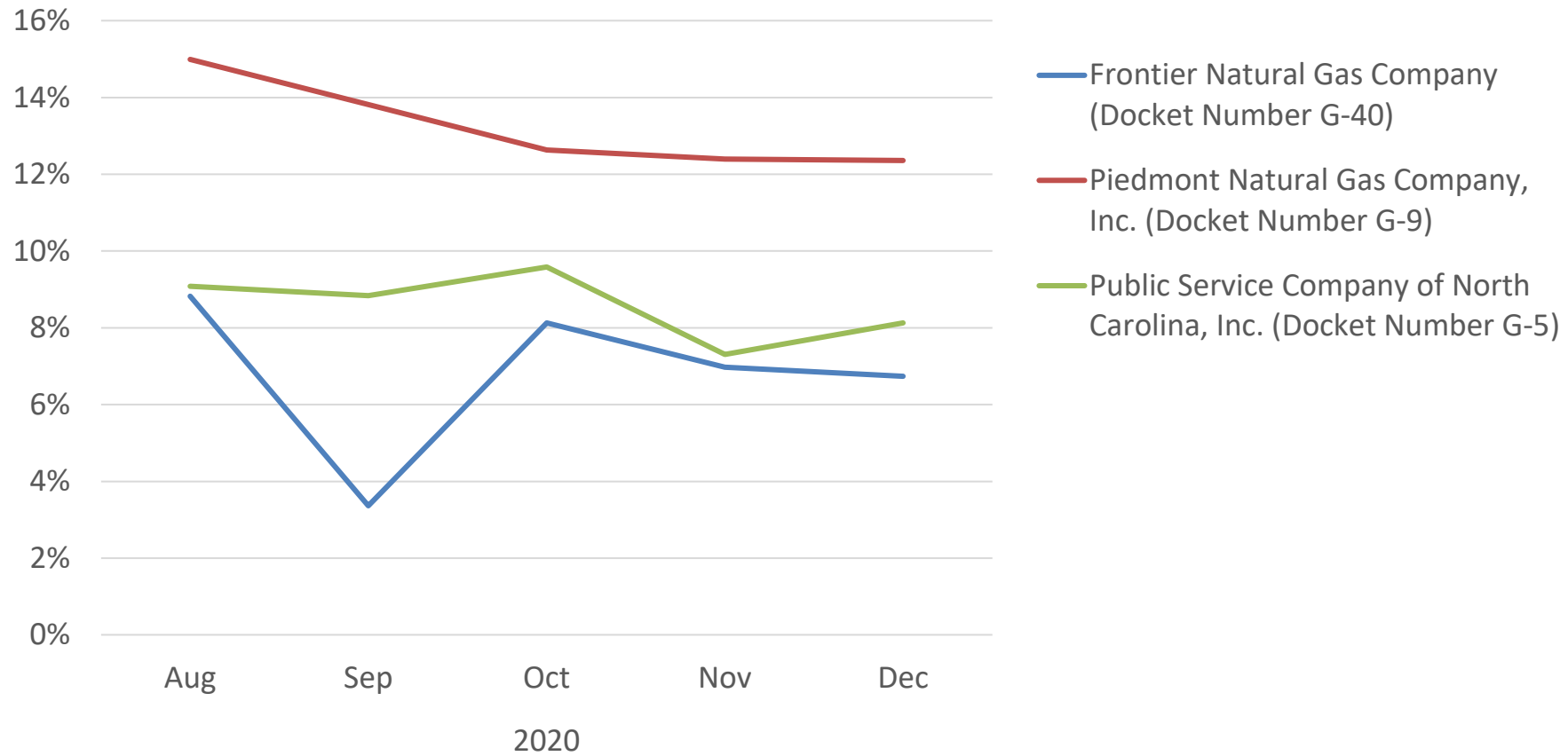
Number of Accounts Considered Past Due at the End of the Month



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



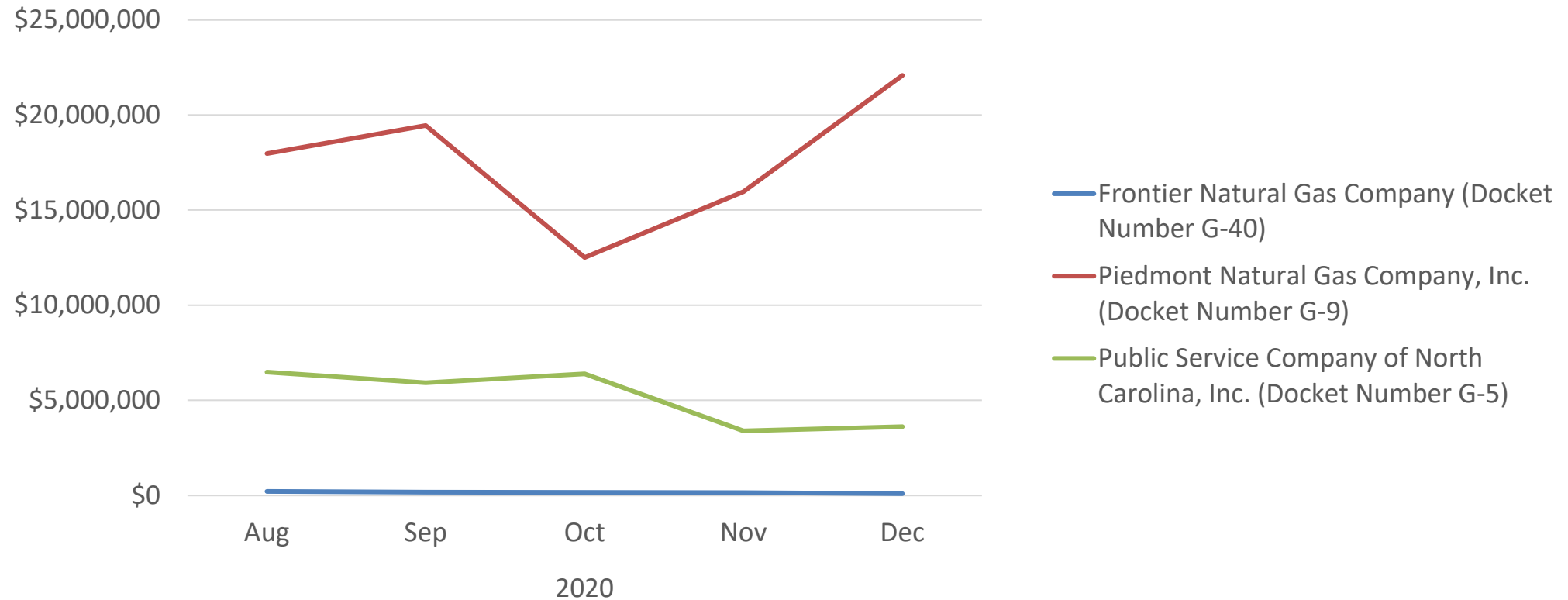
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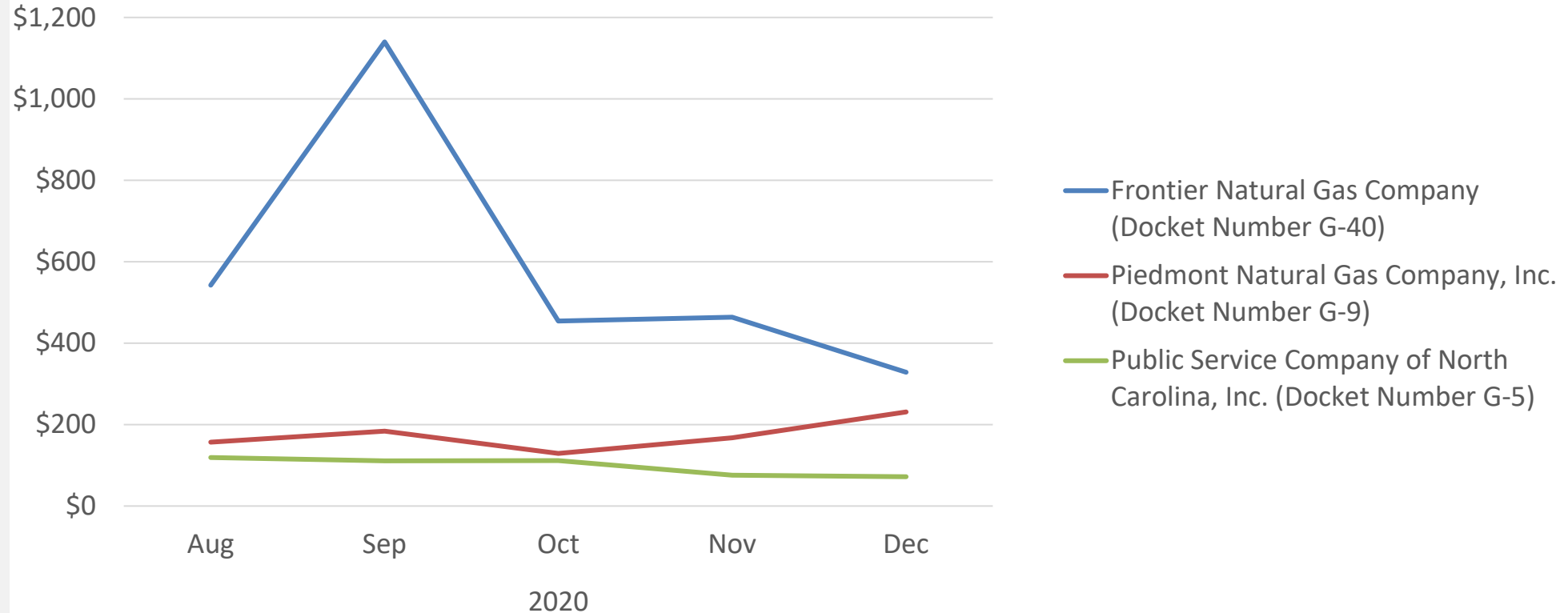
Total Arrears at Least 30 Days Past Due at the End of the Month



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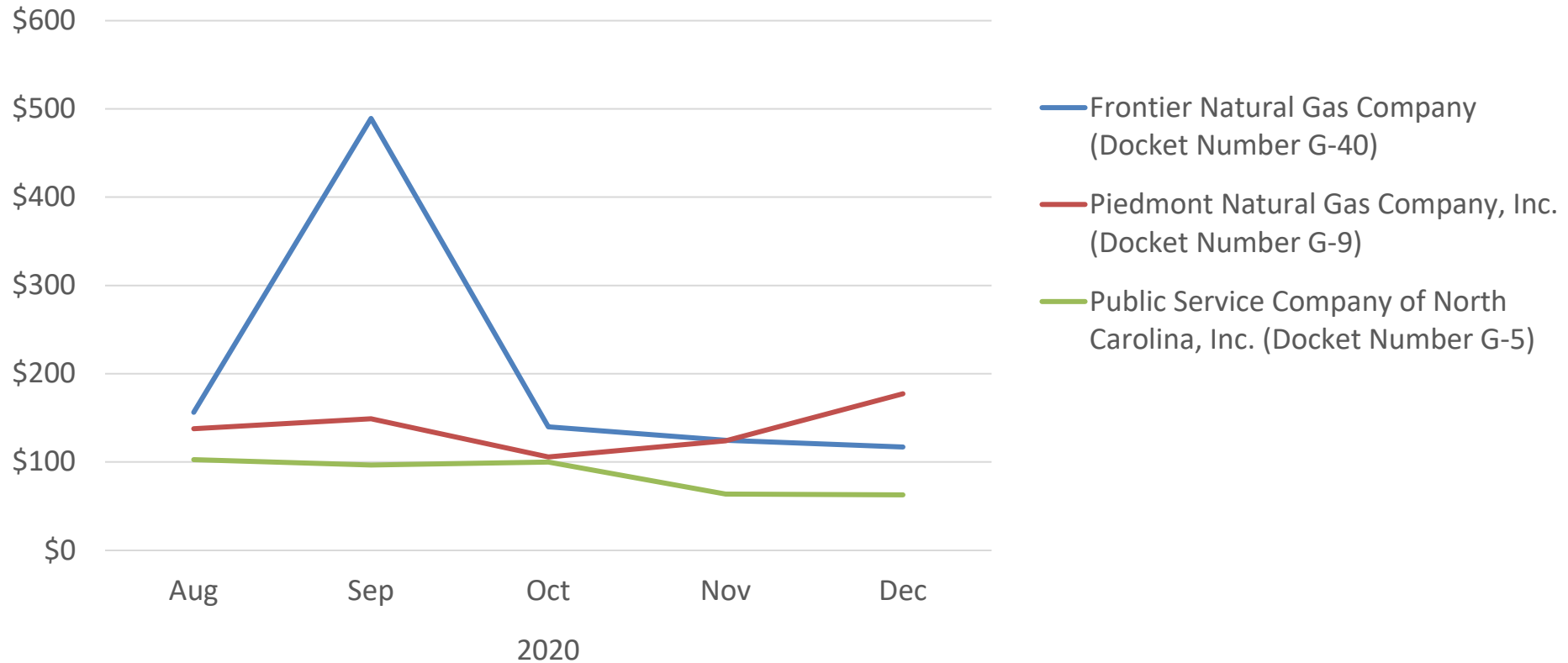


Average Arrears on Past Due Accounts at the End of the Month



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



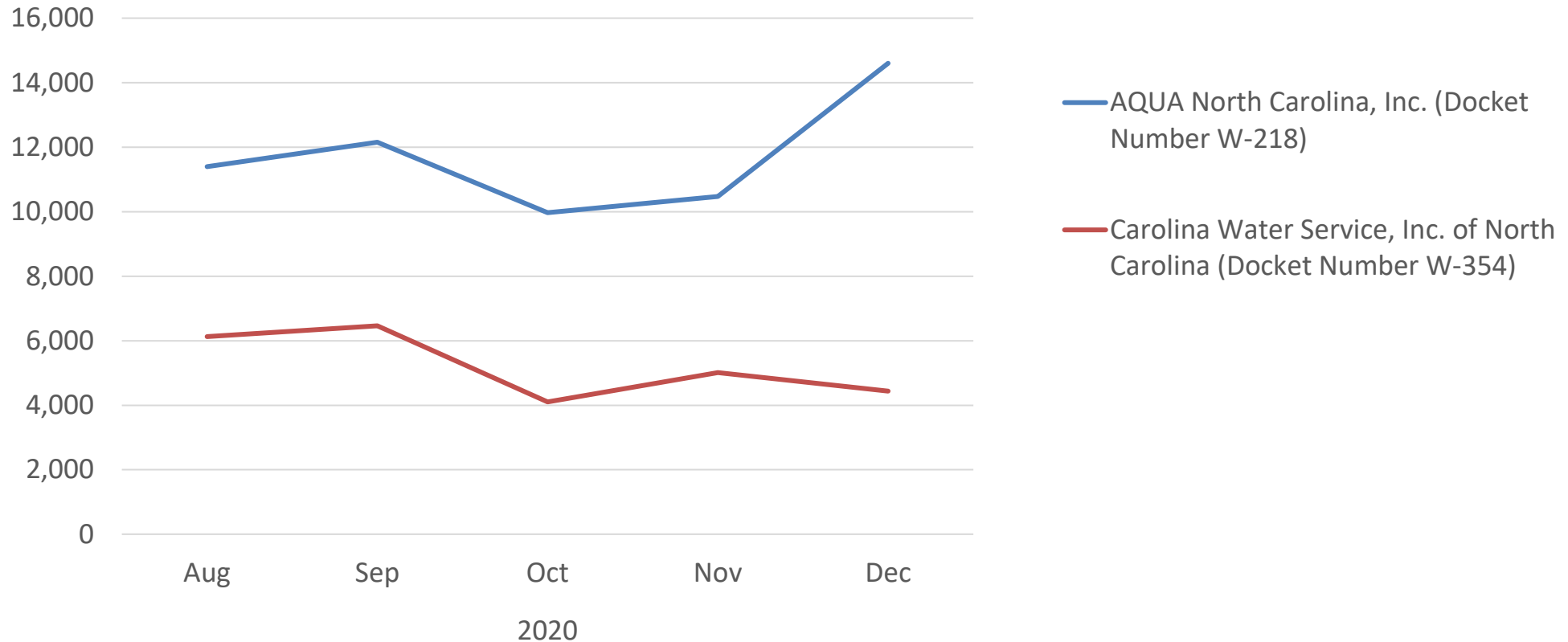
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WATER & WASTEWATER UTILITY ARREARAGES - LARGEST 2 COMPANIES



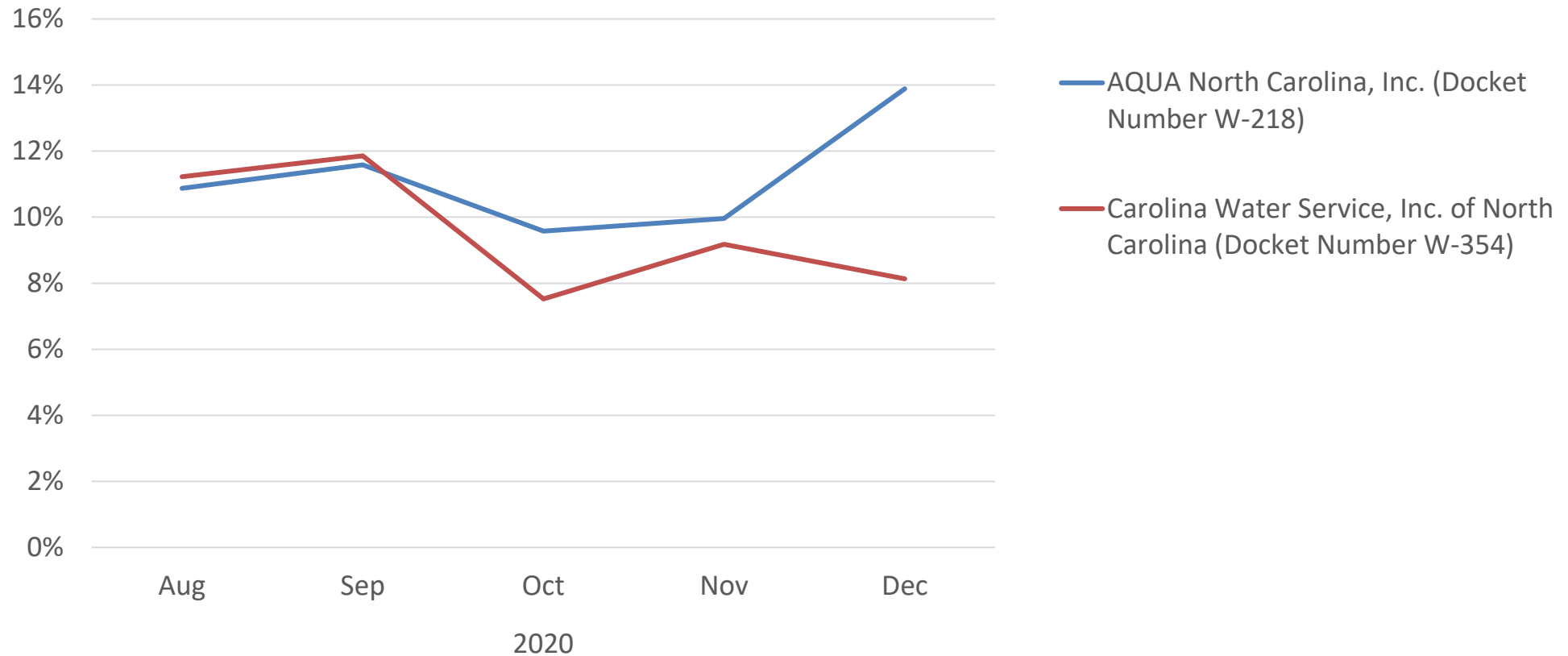
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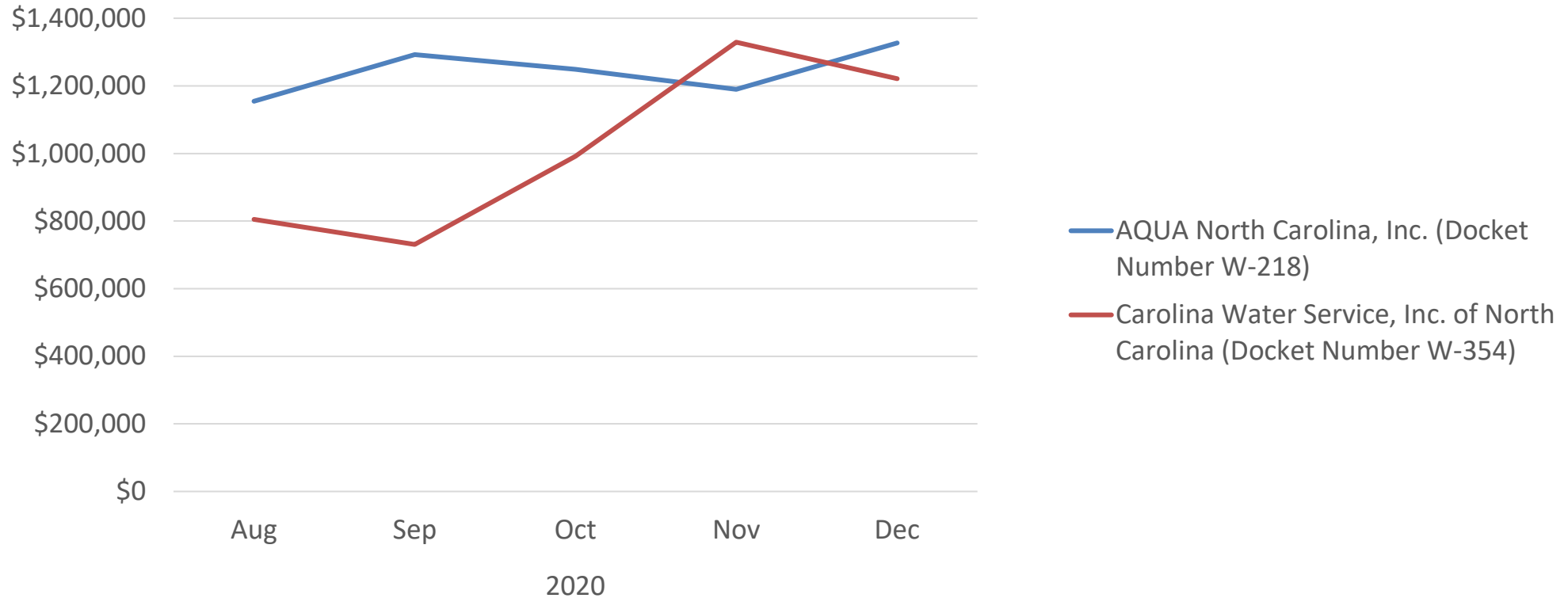
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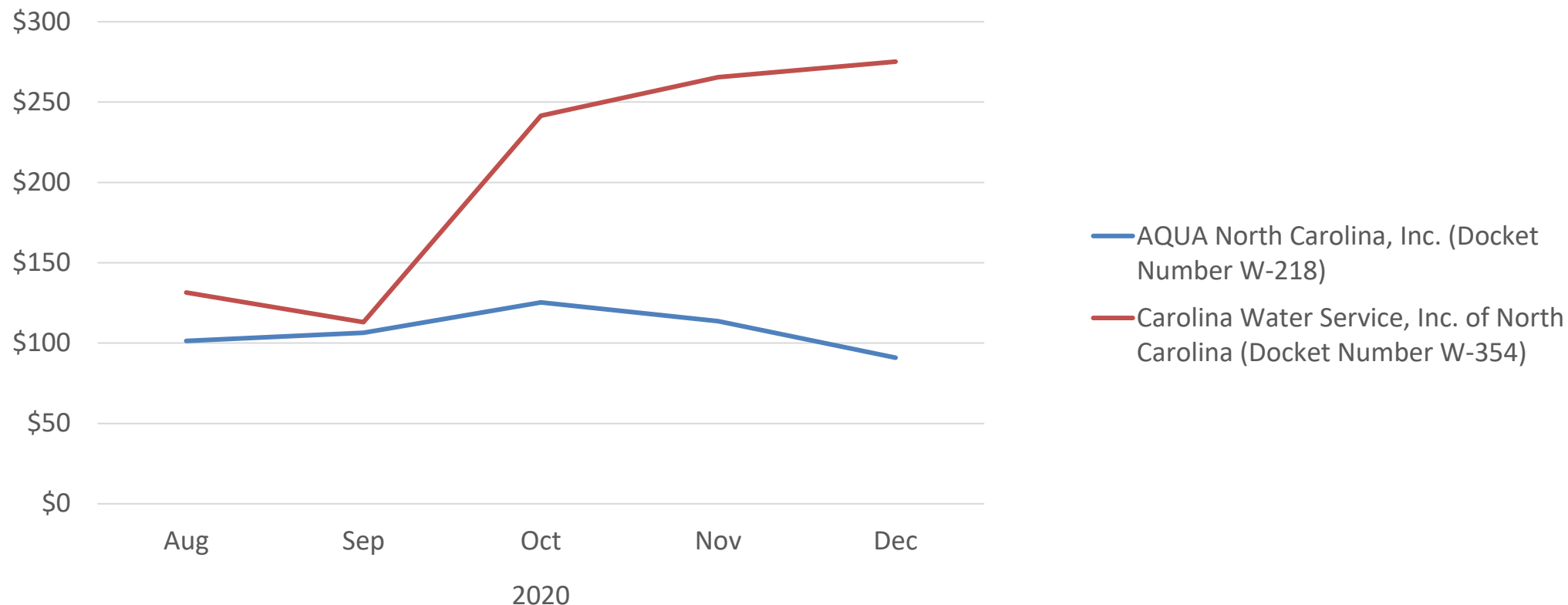


Total Arrears at Least 30 Days Past Due at the End of the Month



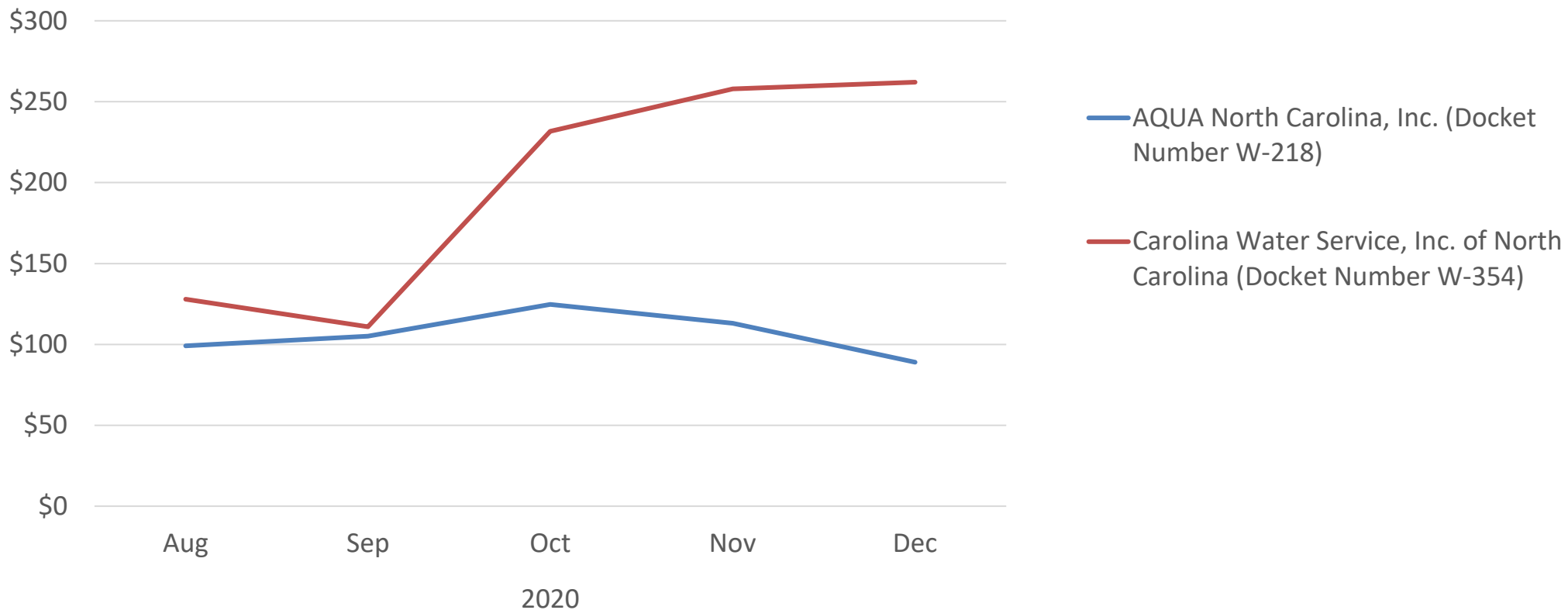
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

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

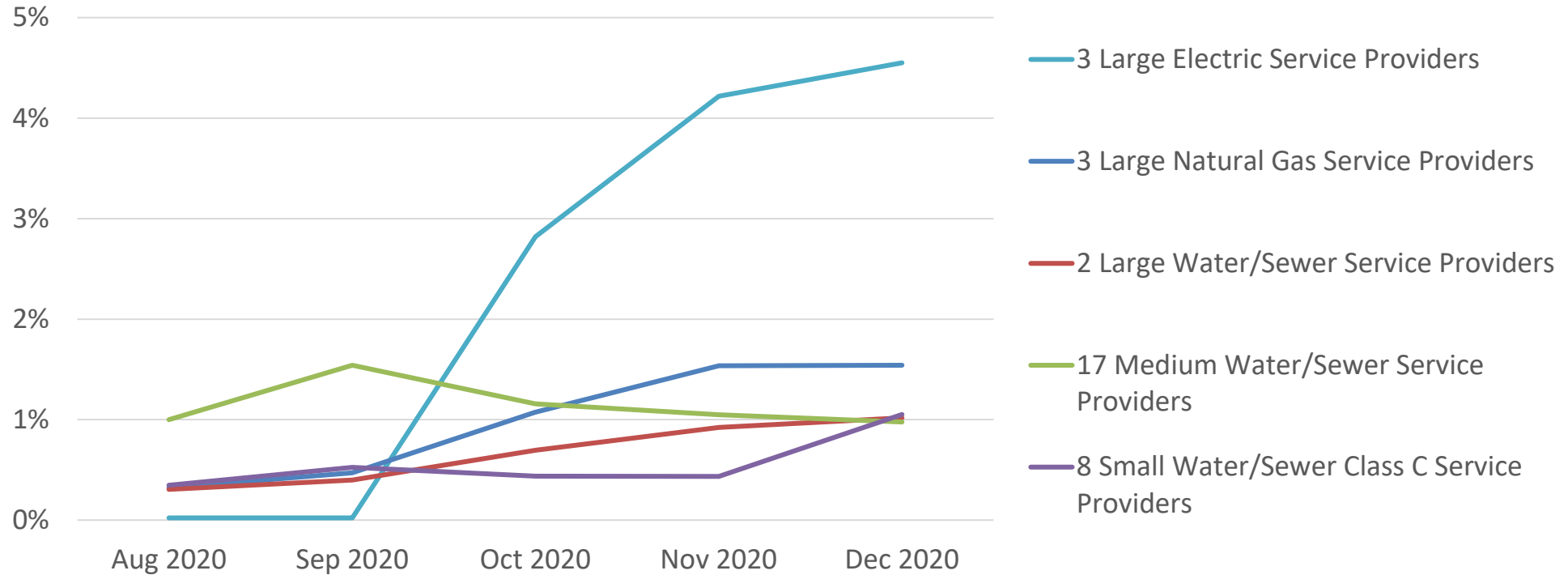


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



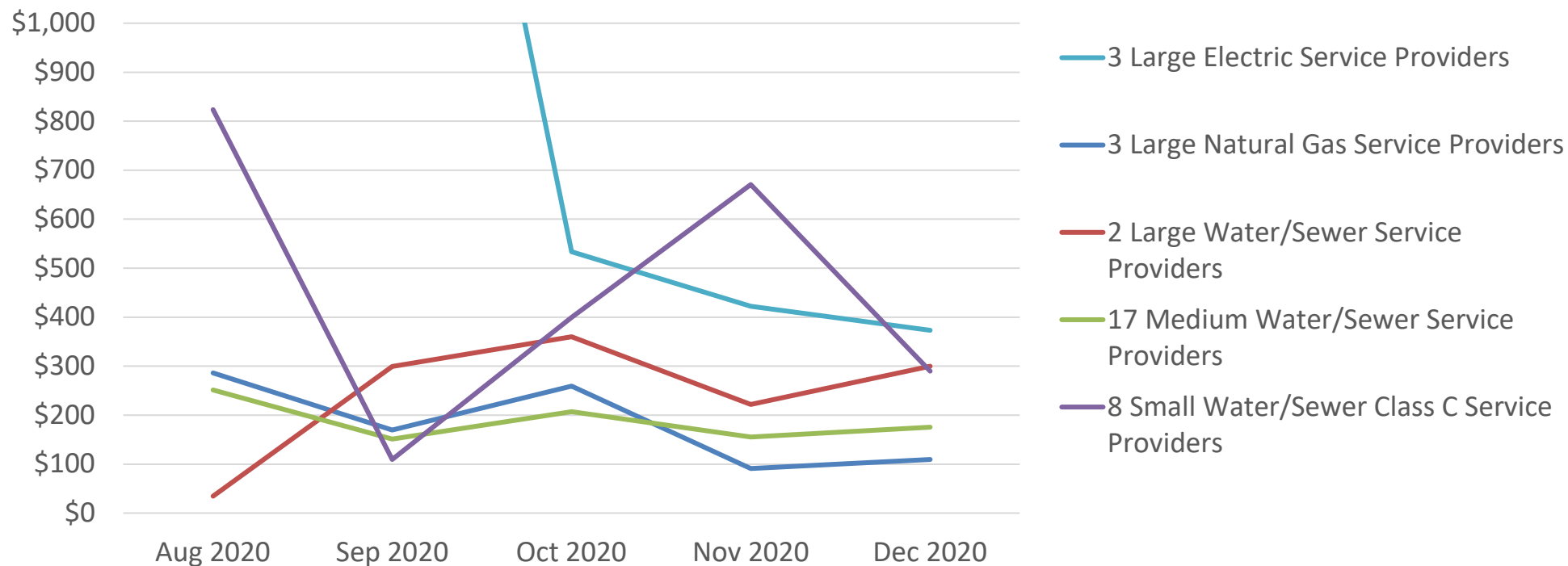
PAYMENT PLANS

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



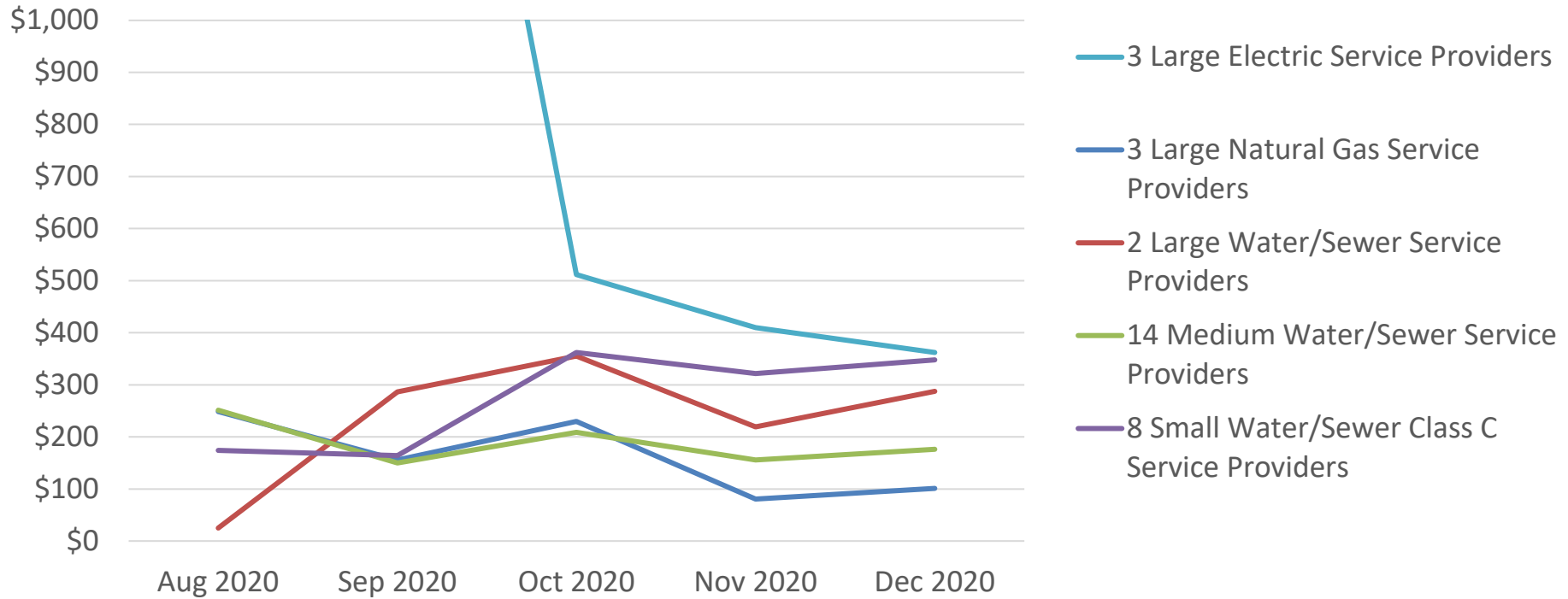
Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

Average Balance on Repayment Plans at the End of the Month



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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.