



STATE OF CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY

August 24, 2022

In reply, please refer to:

Docket No. 20-03-15

Motion No. 79

Kathleen O'Hare, Esq.
Eversource Energy
107 Selden Street
Berlin, CT 06037

Re: Docket No. 20-03-15 – Emergency Petition of William Tong, Attorney General for the State of Connecticut, for a Proceeding to Establish a State of Emergency Utility Shut-Off Moratorium

Dear Attorney O'Hare:

On July 29, 2022, the Public Utilities Regulatory Authority (Authority) received a motion (Motion No. 79) from The Connecticut Light and Power d/b/a Eversource Energy (CL&P) and Yankee Gas Services Company d/b/a Eversource Energy (Yankee Gas) (collectively, Eversource or the Companies) requesting approval of their proposal to resume service terminations for non-payment for hardship residential or medically protected customers with a serious illness based on the Authority's ruling to Motion No. 50¹ dated August 24, 2021 (Motion Ruling No. 50), in the above-captioned proceeding. Motion No. 79, p. 1. For the reasons stated herein, Motion No. 79 is denied. However, absent further Authority action and subject to the conditions stated herein, the Authority will permit the Companies to resume service terminations for reasons of non-payment for residential financial hardship or medically protected customers with a serious illness no sooner than **May 2, 2023**.

¹ Motion Ruling No. 50 states, in relevant part:

The Authority directs the EDCs and LDCs to file a motion for the Authority's review and approval no later than 60 days in advance of the effective date on which the LDCs and EDCs propose to resume service termination processes, including customer communications, for financial hardship or medically protected residential customers with a serious illness. Said motion should include the following information: (i) the number of customers proposed to be terminated, (ii) how many of the customers are currently coded for financial hardship or serious illness medical protection, (iii) the low, median, mean, and high amounts of the customers' outstanding arrearages, and (iv) how many of the customers were enrolled in and failed to complete an arrearage management program, including but not limited to the Matching Payment Program (MPP), New Start (Eversource), Matching Payment Plan (The United Illuminating Company; UI), or the COVID-19 Payment Program.

Motion Ruling No. 50, pp. 1-2.

I. Eversource Proposal

The Companies proposed to resume their service termination process for financial hardship or medically protected residential customers with a serious illness beginning on September 6, 2022. Motion No. 79, p. 1. Although the Authority directed the Companies to submit such a motion 60 days before Eversource's proposed date to resume the service termination process for hardship customers, Eversource requested a waiver of the 60-day notice requirement to align the resumption of terminations with the timing proposed by Avangrid.² Notably, customers with life-threatening medical protection are not included because those customers are protected from service terminations year-round. Id., p. 3.

Eversource reports that, as of July 18, 2022, there are 147,000 total verified hardship customers and 15% of those customers meet the disconnect notice eligibility. Id. Eversource stated that disconnect notices are not sent to customers with a delinquent balance less than \$125. Id. Table 1 below shows the number of hardship customers eligible to receive a disconnect notice as of July 18, 2022 for CL&P and Yankee Gas.

Table 1
Hardship Customers Eligible to Receive Disconnect Notice as of July 18, 2022

	CL&P	YG
No. Customers w/ Financial Hardship	16,228	6,512
Low Arrearage Amount	\$125	\$125
High Arrearage Amount	\$60,446	\$36,373
Mean Arrearage Amount	\$2,347	\$2,312
Median Arrearage Amount	\$762	\$1,489
No. of Customers w/ Serious Illness Medical Protection	258	35
Low Arrearage Amount	\$128	\$172
High Arrearage Amount	\$60,446	\$36,373
Mean Arrearage Amount	\$6,643	\$6,905
Median Arrearage Amount	\$3,635	\$5,380
Total Customers Eligible for Termination	16,486	6,547
No. of Payment Arrangements Failed to Complete	9,617	2,906

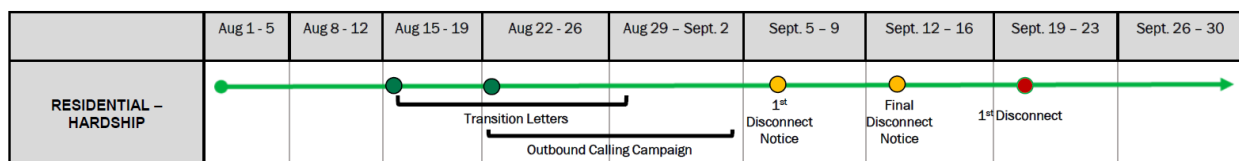
Id., p. 4.

Eversource asserted that its proposed communication material and timeline for residential hardship customers is similar to that used for residential non-hardship customers. Id., p. 6. The Companies detailed the steps within their proposed process

² On July 1, 2022, Avangrid submitted Motion No. 77 requesting to resume the service termination process for financial and medical hardship customers beginning September 1, 2022. See, Motion No. 77 in the instant proceeding.

for resuming service terminations for affected customers, as illustrated in Figure 1. Eversource stated that it would begin issuing final disconnect notices starting on September 13, 2022, with first disconnections for non-payment to occur no earlier than September 20, 2022. Id.

Figure 1
Eversource's Proposed Service Termination Process



Id., Attachment 16.

Eversource also indicated that a listing of payment center locations would be sent in the termination notices along with a disconnection insert that informs customers about payment plans and other programs. Motion No. 79, p. 6. Further, all notices sent to eligible hardship customers would provide customers with the option to opt-in to receive “Bill Ready,” “Payment Reminder,” and “Disconnect” email and text alerts, which are system-automated and sent to all Eversource customers who opt in. Id., p. 7. Lastly, Eversource moved information about “Bill help” to the front page of its website based on the Authority’s Office of Education, Outreach, and Enforcement’s prior recommendation. Id.

II. Stakeholder Comments

1. Operation Fuel

Operation Fuel recommended that the Authority deny Eversource’s motion. Operation Fuel Objection to Motion No. 79 dated August 5, 2022, p. 1. Operation Fuel argued that, based on the timing of Eversource’s filing, stakeholders and the Authority would have limited time to review Motion No. 79 instead of the 60-day review mandated by the Motion No. 50 ruling. Id. Additionally, Operation Fuel suggested Eversource modify each piece of communication materials for specific language to ensure clarity. Id., p. 3. Operation Fuel alleged a number of deficiencies in Eversource’s customer communications and provided recommendations for the communication materials in a separate set of comments. See, id., Attachment 2 Materials Review.

2. The Center for Children’s Advocacy and the Connecticut Legal Services

The Center for Children’s Advocacy and the Connecticut Legal Services (together, Advocates) argued that Eversource has not demonstrated compliance with existing Authority orders, and such compliance must occur prior to resumption of customer service terminations. Advocates’ Objection to Motion No. 79 dated August 5, 2022, p. 7. The

Advocates raised concerns that Eversource continues to harm its most vulnerable customers by subjecting them to service terminations instead of enrolling them in the payment plans as directed by the Authority. Id., p. 1. Additionally, the Advocates stated that Eversource's communication materials require specific revisions to comply with Section 16-262c(b)(2) of the General Statutes of Connecticut, which requires Eversource to provide an opportunity to enter into a reasonable amortization agreement that allows adequate opportunity to "apply for and receive the benefits of any available energy assistance program." Id., p. 4. Further, the Advocates argued that all of the communication materials should include language that customers must maintain their payment arrangements to avoid disconnection and that the flexible payment plans should not be the only option discussed to avoid termination. Id., pp. 5-6.

Finally, the Advocates proffered that an appropriate measurement for readability is the Flesch-Kincaid Grade Level, which classifies readability equivalent to the US grade level of education. Id., p. 6. Using that benchmark, the Advocates noted that the language in all of the above-mentioned materials is too complicated and ensures that some recipients will not understand it. Id.

III. Authority Analysis

The Authority is concerned both with the timing of the Companies' motion, as well as with the issues regarding the Companies' customer communications as documented by the Advocates and Operation Fuel. The Companies proposed to resume their service termination process on September 6, 2022, less than two months prior to the start of the upcoming Winter Moratorium, which commences on November 1, 2022, pursuant to Conn. Gen. Stat. § 16-262c (b)(1). This timeline is illogical as it does not provide adequate time to inform affected customers of the end of the moratorium on service disconnections for reasons of non-payment while simultaneously ensuring that such customers are enrolled in applicable payment plans to avoid the imminent service termination. Furthermore, the Companies' proposal apparently leaves little time for service terminations to actually occur before the Winter Moratorium, when the affected customers may subsequently be eligible for shut-off protection.³ Indeed, Eversource's proposal would not commence shut-offs until September 20, 2022, leaving less than a month and a half before the beginning of the Winter Moratorium on November 1, 2022. As a result, Eversource would have to re-engage the process set forth in Motion No. 79 at the expiration of the Winter Moratorium. Therefore, such a schedule strikes the Authority as a poor use of the Companies' resources and thus ratepayer dollars. On balance, there is a compelling public benefit for residential hardship customers to maintain service from now until the end of the 2022-2023 Winter Moratorium, rather than to have their access to power and heat potentially interrupted for a brief period of time given that Conn. Gen. Stat. § 16-262c explicitly prohibits an EDC from refusing to reinstate residential electric service in hardship cases between November 1 and May 1, regardless of their ability to pay.

³ Currently, eligible customers are required to reaffirm eligibility for financial hardship annually, and serious illness protection by the period indicated by a physician, and at least annually.

The Authority also highlights that it issued the Motion Ruling No. 50 in the above-referenced docket on August 21, 2021, meaning that the Companies have been aware for nearly a year that they would need to file a motion at least 60 days before the resumption of residential hardship customer service terminations. Nevertheless, the Companies opted to wait nearly eleven months to file a motion in accordance with direction provided in the Motion No. 50 Ruling, which consequently affords the Companies little time for implementation before the start of the 2022-2023 Winter Moratorium. Furthermore, the Authority is troubled that Eversource seemingly ignored the Authority's direction by seeking a waiver of the 60-day notice requirement. The Authority, pursuant to Conn. Gen. Stat. §16-19e, is statutorily charged with ensuring the prudent and efficient management of the Companies. As such, the Authority may consider whether Eversource's delay in filing the present motion is indicative of inefficient and imprudent management and, if so, what the ramifications might be for Eversource when it seeks to recover its costs associated with the shut-off moratorium.

Based on the foregoing, the Authority denies Motion No. 79. Notwithstanding, absent further Authority action, service terminations for reasons of non-payment may resume for residential financial hardship and medically protected customers with a serious illness no sooner than **May 2, 2023**.

In the interim, the Authority directs Eversource to revise its communications plan to address the comments provided by Operation Fuel and the Advocates so that residential hardship customers whom may be impacted on or after May 2, 2023, are appropriately notified so as to ensure customers are afforded sufficient notice to enroll in one of the payment arrangements offerings to avoid service termination. The communications plan shall be filed with the Authority as compliance in the present docket no later than **4:00 p.m. on Wednesday, February 1, 2023**. As part of this compliance, Eversource shall first consult with the Authority's Office of Education, Outreach, and Enforcement, the Office of Consumer Counsel, Operation Fuel, and the Advocates to develop its communications plan. Furthermore, Eversource shall obtain a letter, to be filed contemporaneously with its communications plan, from each of the aforementioned docket Participants attesting to the fact that each Participant received ample time to provide input prior to the Companies' communications plan filing deadline on February 1, 2023.

Sincerely,

PUBLIC UTILITIES REGULATORY AUTHORITY

A handwritten signature in black ink, appearing to read 'Jeffrey R. Gaudiosi', is written over a light gray circular stamp that contains the text 'PUBLIC UTILITIES REGULATORY AUTHORITY'.

Jeffrey R. Gaudiosi, Esq.
Executive Secretary

cc: Service List