



State of Rhode Island
Division of Public
Utilities & Carriers

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PUBLIC UTILITIES COMMISSION

To: Luly Massaro
Commission Clerk

From: Albert De Miranda, Rate Analyst

AID

Date: July 27, 2018

Re: Docket No. 4838 - Arrearage Management Program Provision

On June 25, 2018, Pascoag Utility District ("Pascoag") filed a request with the Commission to add a tariff provision to implement an Arrearage Management Plan (AMP) in accordance with R.I. General Laws 39-2-1 and 39-1-27.12 (the Henry Shelton Act).

The proposed tariff includes detail of the program provisions, including:

- Program Eligibility
- Enrollment
- Payment Plan
- Arrears Forgiveness
- Payment Plan Review
- Default
- Termination
- Collection Activity
- AMP Billing and Active Plan Noticing
- Subsequent Eligibility
- Reporting Metrics
- Cost Recovery
- Adjustment to Rates

The AMP also includes an Arrearage Management Adjustment Factor (AMAF) for the company to recover incremental costs incurred associated with the AMP. However, according to Pascoag's responses to Commission data requests, they don't expect much participation in the program so they'll write-off the arrearage forgiveness as bad debt. Pascoag further stated that if the costs of the AMP rise substantially, then they'd seek approval to recover the costs through the AMAF.

In its filing, Pascoag also provided sample customer notices related to the program. The Division's Consumer Section reviewed the notices and found them to be reasonable.

In addition to reviewing the filing in detail, and we also reviewed their responses to Commission data requests, the requirements of the Henry Shelton Act and NGrid's Commission approved AMP tariff.

The Division found that Pascoag's proposed tariff substantially mirrors NGrid's AMP tariff which was thoroughly vetted in Docket 4651. Based on this observation and our review of the filing, we found the proposed tariff to be reasonable, in compliance with the requirements of the Henry Shelton Act and as such recommend the Commission approve Pascoag Utility District 's proposed AMP tariff as filed.