## STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: SUSPENSION OF SERVICE TERMINATIONS

AND CERTAIN COLLECTIONS ACTIVITIES : DOCKET NO. 5022

DURING THE COVID-19 EMERGENCY :

## ORDER (EXTENSION OF MARCH 16, 2020 AND MARCH 30, 2020 ORDERS)

On March 9, 2020, Governor Gina Raimondo declared a state of emergency in Rhode Island as part of the State's response to the COVID-19 virus. Subsequently, Governor Raimondo closed school buildings, closed restaurants for in-house dining, and limited public gatherings to 25 people or more. Several municipalities were also under states of emergency with various limitations on businesses and gatherings.

On March 16, 2020, the PUC ordered all electric, natural gas, water, and sewer utilities to immediately cease certain collections activities, including termination of service for nonpayment, sending past due accounts to collections agencies, and sending termination notices with disconnection dates prior to the end of the stated period. The order was in effect through April 14, 2020 for residential customer accounts and March 31, 2020 for nonresidential customer accounts, subject to further review. On March 30, the PUC extended the order applicable to nonresidential customer accounts through April 14, 2020, subject to further review.

Since March 16, 2020, Governor Raimondo has issued more Executive Orders, further limiting economic activity in Rhode Island, and has continued the duration of previously issued Executive Orders. In particular, she prohibited gatherings of more than five people and ordered

<sup>&</sup>lt;sup>1</sup> Order No. 23786. Allowed collections activities included billing, reminder notices, entering payment plans, and other activities not prohibited by this order. Customers have been encouraged to continue to pay their bills to the extent they have the financial ability. Nonpayment results in higher balances that can become even more challenging over time. Utilities have been encouraged to offer flexible payment plans to all customers facing financial hardship, even short-term, during this time.

<sup>&</sup>lt;sup>2</sup> Order No. 23807.

the closure of all non-essential retail businesses, including specifically all close-contact businesses as well as restaurants (for in-house dining), bars, and entertainment venues. She also ordered everyone not engaged in essential employment to stay at home. All of these restrictions have been extended to May 8, 2020. Thus, since the PUC's prior orders, even more businesses have been closed or remain closed. While there are businesses that may be able to operate with their employees working from home, the closing of retail establishments will result in many nonresidential customers and their employees, who may be residential customers of one of Rhode Island's regulated utilities receiving significantly reduced or no revenue. Schools remain closed until May 4, 2020, with children and teachers engaged in remote schooling.

The PUC has reviewed comments received from interested stakeholders, including the Center for Justice on behalf of the George Wiley Center, the Division of Public Utilities and Carriers, and members of the public. No comments supported ending the moratorium on service terminations at this time. Several commenters suggested the PUC enact a permanent moratorium on service terminations for various types of customers. Many others proposed a moratorium on service terminations through a period of time after the state of emergency is lifted. Several also suggested the PUC use this as an opportunity to implement a percentage-of-income payment plan (PIPP). The PUC declines to adopt these proposals at this time because they appear to request orders that would exceed the PUC's statutory emergency powers, which require an order of limited and "temporary duration."

The PUC is aware that customers who are not paying their bills have growing balances that they may not be able to satisfy on the first day they return to work. For this reason, the PUC encourages all customers with the means to pay their current balances or something toward their balances, to do so in order to avoid further financial strain. This not only assists customers in the

long run, it also supports the ability of utilities to maintain their financial health so as to continue providing safe and reliable service. Financial stability of the utilities allows the PUC to continue being flexible in its decisions on service terminations. Finally, the PUC will be exploring possible solutions for phasing in full collections activities and assisting customers in meeting their financial obligations as the Governor reopens the economy.

The PUC has also reviewed financial information provided by the utilities about the impact of our March 16, 2020 and March 30, 2020 orders. While many utilities are experiencing lower collections than during the same time in prior years, they are not yet experiencing difficulties in meeting their own financial obligations as a result of the decline in residential and nonresidential collections. Additionally, many of the utilities have voluntarily ceased termination of service for all customers through at least April 30, 2020. Therefore, pursuant to R.I. Gen. Laws § 39-1-32(a), public safety requires the continuation of the March 16, 2020 and March 30, 2020 orders, of temporary duration, to protect the welfare of the people through May 8, 2020.<sup>3</sup> The PUC will review this order on April 30, 2020 to determine if it should be extended or modified as to all customers.

The PUC will seek comment on the following: (1) whether a moratorium on service terminations should continue for all categories of customers (non-residential, standard customers, protected customers); (2) whether there should be a lifting of the moratorium for a category of customer; and (3) the appropriate duration of any extension of a moratorium on service terminations. Stakeholders are cautioned to remember that these orders are authorized by a strictly

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<sup>&</sup>lt;sup>3</sup> R.I. Gen. Laws § 39-1-32(a) states: Any general or public law notwithstanding, the commission, when it determines that public safety so requires, or that failure to act immediately will result in irreparable injury to the public interest, or that an emergency exists in the financial affairs of a public utility which, if not met immediately, will interfere with the accommodations, convenience, and welfare of the people, may issue an order effective immediately, but for temporary duration, until formal notice be given and a hearing had of the parties in interest.

worded statute that allows only for orders of "temporary" duration and that respond to an existing threat of harm to people or irreparable injury to the public interest. This is not the appropriate forum to consider chronic situations.

In making the PUC's determination on whether to further extend or modify this order, consideration will be given to whether the State of Rhode Island is still under a state of emergency; whether businesses are open; whether people are still under a "stay at home order;" whether school buildings are open; what the unemployment rate is in Rhode Island, if known; and whether collections have significantly impaired or are likely to impair the ability of the utilities, particularly non-investor-owned utilities, to meet financial obligations, among any other information make available to the PUC, such as plans announced by the Governor for re-opening Rhode Island's businesses.

Accordingly, it is hereby,

## (23809) ORDERED:

- 1. Pursuant to R.I. Gen. Laws § 39-1-32(a), public safety requires the continuation of the March 16, 2020 and March 30, 2020 orders, of temporary duration, to protect the welfare of the people.
- 2. Effective through May 8, 2020, all electric, natural gas, water, and sewer utilities shall continue the cessation of certain collections activities, as set forth herein, including termination of service for nonpayment.
- 3. The PUC invites public comment to be submitted by May 4, 2020 on (1) whether a moratorium on service terminations should continue for all categories of customers (non-residential, standard customers, protected customers); (2) whether there

- should be a lifting of the moratorium for a category of customer; and (3) the appropriate duration of any extension of a moratorium on service terminations.
- 4. The utilities should provide the following information by April 30, 2020: (1) Have collections dropped off for residential and nonresidential customers over the past two weeks, four weeks, and six weeks compared to prior months and prior years? (2) If so, please quantify the extent of the reduction. (3) What effect has any such reduction had on the utility's cash flow? (4) Has the utility been unable to meet any obligations, or does it expect to be unable to meet any financial obligations in the next two weeks if it cannot commence termination of service as a collections option? (5) Provide any information on plans for termination of service for nonpayment absent an extension of this order; (6) National Grid shall provide the percentage of collections by rate class for the period commencing March 16, 2020.
- 5. Public Comment can be submitted to Luly Massaro, Commission Clerk online at <a href="mailto:luly.massaro@puc.ri.gov">luly.massaro@puc.ri.gov</a> or physically delivered to 89 Jefferson Boulevard, Warwick, Rhode Island 02888.

EFFECTIVE AT WARWICK, RHODE ISLAND, ON APRIL 15, 2020, PURSUANT TO AN OPEN MEETING DECISION ON APRIL 13, 2020. WRITTEN ORDER ISSUED ON APRIL 14, 2020.

## PUBLIC UTILITIES COMMISSION



Margaret E. Curran, Chairperson

Marion S. Gold, Commissioner

Abigail Anthony, Commissioner

**NOTICE OF RIGHT OF APPEAL:** Pursuant to R.I. Gen. Laws §39-5-1, any person aggrieved by a decision or order of the PUC may, within seven days from the date of the order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or order.