

September 27, 2021

Public Utility Commission
Attn: Filing Center P.O. Box 1088 Salem, OR 97308-1088

**Re: UM 2114
Investigation Into The Effects Of The Covid-19 Pandemic On Utility
Customers
Workshop Series - Advocates' Recommendations**

The undersigned advocates (“Advocates”) appreciate the commitment by the Oregon Public Utility Commission (“Commission”) and its Staff to exploring issues related to low-income customers’ energy burden and related social inequities. This process offers an opportunity to better recognize the vital nature of utility service, so we especially appreciate Ezell Watson, the Commission’s DEI Program Director, and his efforts to create a safe and productive space for these crucial conversations.

We offer the recommendations below in response to the Staff questionnaire released at the July 22, 2021 workshop. This document starts with a summary of our recommendations in a bullet-pointed format, followed by our comments expanding on those recommendations and by a series of questions or requests for information that we believe would be helpful in this workshop process. We follow the format of Staff’s questionnaire, and include additional requests that we consider key to a more equitable approach to disconnections and to addressing energy burden and energy poverty.

Our recommendations are based on the lessons from the past 18 months, the collective experience of a community of stakeholders with a history of serving and/or working closely with vulnerable Oregonians, and on work by organizations operating in other regions and at the national level.

We encourage all participants in this process to approach this workshop series with awareness that vulnerable Oregonians are doing their best to avoid disconnection and that their lives and wellbeing are at risk when their best is not enough. We also encourage approaching this series with a recognition that the pandemic that started the UM 2114 process is ongoing and that it continues to impact the health, life, and financial security of our community, with disproportionate impacts on those who were already vulnerable.

SUMMARY OF RECOMMENDATIONS

I. INTERVENOR FUNDING

- (PUC) Make funding available for organizations representing the interests of environmental justice and low-income customers and participating in UM 2114 as soon as possible.

II. IMPROVEMENTS TO THE DISCONNECTION PROCESS

A. Communications around disconnection should be trauma informed

- (Utilities) Train customer service representatives (CSRs) on deescalation and trauma informed approaches as well as on implicit bias.
 - Implement evaluations to assess trainings' success.
- (Utilities) Evaluate communication strategies with customers at risk of disconnection through a trauma-informed approach.
- (Utilities) Periodically review communication strategies around disconnection with Community Action Agencies and culturally-specific community-based organizations.
 - Report on how utility is incorporating feedback.

B. Avoiding disconnection should not be intimidating or unduly time consuming

1. Information about resources and programs should be easily accessible and clear

- (Utilities) Continue to provide information on assistance programs and how to apply.
 - CSRs continue to direct customers with arrears to local CAA.
 - Include CAA materials about the energy assistance process along with arrears/disconnection notices.
- (Utilities/CAA agencies) Continue to work in partnership with community-based organizations with direct and trust-based relationships with vulnerable and historically underserved communities.
- (Utilities) Clearly communicate all options available to customers.
 - Recognize that communications that highlight match programs, where other programs are available, discourage customers without the ability to match.
- (Utilities) Develop clearer communication materials about the disconnection process with plain language and that are translated to all relevant languages.
- (Utilities) Periodically review disconnection materials, focused on clarity and accessibility, with Community Action Agencies (CAAs) and culturally-specific community-based organizations.
 - Report on how utility is incorporating feedback.

2. Families applying for energy assistance should be protected from disconnection

- (PUC/Utilities) Maintain 60-day protection for people who self-certify that they are working to obtain energy assistance.

3. The process to obtain energy assistance must be simplified wherever possible

- (PUC/OHCS/Utilities/Stakeholders) Ensure that energy assistance agencies are appropriately resourced, recognizing community-specific needs.
- (OHCS/Utilities/CAAs/Stakeholders) Simplify energy assistance program requirements where possible.
 - Identify and address OEAP requirements that can be permanently relaxed without the burden of future resolution or completion.
 - Identify and address customer-funded, utility-administered program requirements that can be permanently relaxed without the burden of future resolution or completion.
 - Ensure that neither OEAP nor utility-administered program guidelines impose requirements that will disparately impact a particular group of customers (i.e. customers that cannot obtain social security numbers).
- (Utilities/CAAs) Establish robust referral systems where workable.
 - PGE's current model that refers disconnected people to energy assistance (in parts of its service territory where it is workable), along with reconnection assistance grants and a payment plan, can serve as a good model for other utilities.
- (PUC/Utilities/CAAs/OHCS) Each organization should use its discretion to simplify and demystify the energy assistance process.
- (PUC/Utilities/CAAs/OHCS/Stakeholders) Advocate to make sure that those in need of energy assistance are not further penalized through cumbersome, time consuming, and overwhelming processes.

4. Disconnection practices must account for customers' vulnerability

- (PUC/Utilities) Recognize in rules and practices around disconnections that some customers are more vulnerable to disconnection and will be impacted more severely by it.
 - Consider higher disconnection arrearage minimums for customers who rely on utility services as the primary source of heating or cooling during periods of seasonal protection.
 - Recognize increased vulnerability by treating differently in the disconnection process those households with elderly residents, young children, or other conditions of vulnerability to disconnection.
 - Potential changes include greater timelines, arrearage minimums for disconnection, notice and contact requirements, etc. for vulnerable communities.
- (PUC/Utilities) In setting disconnection/arrears/severe weather rules and practices, look expansively at vulnerable populations.
 - Consider the "Functional and Access Needs/At-Risk Populations" concept when defining vulnerable communities; that includes youth and the elderly, economically disadvantaged groups, groups with limited English proficiency, low literacy skills, and hearing/visual difficulties, people with medical conditions or who experience disability, and isolated groups.
 - Look beyond energy assistance eligibility in determining who is low-income.

5. *The Commission should maintain many of the customer protections that it adopted as a result of COVID-19*

- (PUC/Utilities) Permanently eliminate late-payment, disconnection, and reconnection fees, deposit requirements associated with late or no-payment, arrears, or credit related issues, and reporting to credit agencies.
- (PUC) Permanently adopt extended notice requirements in COVID-19 stipulation, as well as limited disconnection windows to facilitate same-day reconnection, and the limitation on the use of third-parties for collections.
- (PUC) The option for initial self-certification for customers with medical certificates should be permanently extended.
 - Utilities should work with health systems to find methods to identify people eligible for medical certificates while reducing the burden on someone experiencing health issues. This is an issue that has come up explicitly in the emergency management context.
- These changes should be in place for all customers or at least for customers on medical certificates, households with children or elderly inhabitants, as well as for low-income and energy burdened customers, and for other vulnerable customers.

III. BEST PRACTICES FOR ARREARS MANAGEMENT AND FOR THE REDUCTION OF ENERGY BURDEN AND ENERGY POVERTY

- (PUC/Staff/Utilities/Stakeholders) Recognize the limitations of energy burden as the sole measure that drives our efforts and begin to work on identifying energy poverty.
- (PUC/Utilities/Stakeholders) Adopt consistent, permanent and structural programs to address energy burden and energy poverty.

A. We need ongoing arrears management programs that serve customers consistently at risk of disconnection

- (PUC/Utilities) Utilities that have not yet done so should adopt permanent arrears management programs for vulnerable customers.

B. We must leverage existing programs and prioritize communities at risk for disconnection

- (PUC/Utilities/Stakeholders) Consider how existing programs can help reduce vulnerable communities' risk for disconnection.
 - Recognize that the expectation that the poorest in our community pay to participate in those programs is a barrier to program participation.
 - Equitable participation by impacted communities should be centered in the design of utility customer programs.
- (PUC/Utilities/Stakeholders/ETO) No-cost subscriptions to community solar should be considered for low-income customers.

- (PUC/Utilities/Stakeholders/ETO) Energy burden, energy poverty, and other household characteristics should be used to identify and implement energy efficiency and distributed generation programs.
- (PUC/Utilities) People with arrears should not be precluded from participating in, and enjoying the benefits of, programs that can reduce energy burden and energy poverty.
- (PUC/Utilities/ETO/Stakeholders/Weatherization programs) Continue to improve Oregon’s approach to delivering energy efficiency by nimbly incorporating lessons and best practices from energy efficiency programs that are helping reduce the risk of disconnection elsewhere.
- (PUC/Utilities/ETO) Recognize that imposing cost-effectiveness tests on low-income energy efficiency measures limits the ability of those programs to be equitable.

C. We should collaboratively develop the additional tools that HB 2475 enables

- (PUC/Utilities/Stakeholders) Collaboratively work on HB 2475-enabled approaches to reduce energy burden for customers that sign up.
 - Co-create HB 2475-enabled tools with stakeholders with expertise on the experiences and needs of energy-burdened communities.
 - Recognize that HB 2475 does not eliminate the need for more equitable disconnection practices, alternatives to disconnection, permanent arrears management solutions, and other recommendations in this document.

IV. ALTERNATIVES TO DISCONNECTION FOR NON-PAYMENT

- (PUC/Utilities) Conduct a study on the financial and human costs of disconnections.

A. Vulnerable communities should be protected from disconnection in recognition of the disproportionate impacts of disconnection on those communities

- (PUC/Utilities) Implement an equitable approach that recognizes that some communities are both more vulnerable to disconnection and to the impacts of disconnection
 - Examples: customers who rely on utility service as the primary source of heating or cooling during periods should be protected from disconnection at least during the season when they need heating or cooling the most; socially vulnerable groups should be protected from disconnection at least seasonally;
 - Those groups should at least include people with medical certificates, households with young and elderly people, low-income and energy burdened households, and other vulnerable groups.
 - Utilities should implement surveys to screen for socially vulnerable individuals and the process to establish one’s eligibility should be simple.
 - Utilities should partner with trusted community-based organizations to ensure that this effort is far reaching.

B. Other stakeholder ideas should be explored

- We would like to better understand the idea we heard from other stakeholders about ensuring that everyone has a base level of access to energy utility service regardless of ability to pay. As we understand it, this approach would make sure that people who are “disconnected” would still have a base level of service per period.

V. ADDITIONAL REQUESTS

A. The severe weather moratorium must evolve into a health-based approach

- (PUC/Utilities) Adopt a detrimental-health-impacts moratorium approach.
 - Permanently incorporate air quality and wildfire impacts as conditions that trigger a moratorium.
 - The moratorium should begin when a severe heat or winter weather event watch and warning is forecasted or expected (i.e. when a watch is declared *or* when high or low enough temperatures reasonably expected to trigger a watch are in the forecast), and when AQI higher than 100 is forecasted.
 - People disconnected prior to a severe weather event should be reconnected, at least temporarily, and regardless of payment.
- (Utilities) Outreach to disconnected people or share that information of who is disconnected with local fire and emergency management.

B. We need continued visibility into data around disconnections and action when that data highlights inequitable impacts

- (PUC/Utilities) In addition to the reporting requirements under the COVID-19 stipulation, report periodically and promptly on utility disconnection rates, payment plan/deferred payment arrangement activity, and other relevant billing and collection data. That data should be tracked by zip code and overlaid with census tract data.
- (PUC/Utilities) Investigate and remedy situations when data points to disconnections disproportionately impacting vulnerable communities.

C. We must explore how to address the inequitable vulnerability to and impacts from disconnections for undocumented Oregonians

- (PUC/Utilities/Stakeholders) Start a conversation with utilities, community-based organizations, and other stakeholders focused on how rules and practices can recognize inequitable impacts on undocumented Oregonians.

D. The Commission must convene an advisory committee on low-income customers, energy burden, and related social inequities

- (PUC) Form standing advisory committee on low-income customers’ energy burden and related inequities under Paragraph 28 of the COVID-19 stipulation.

COMMENTS

I. INTERVENOR FUNDING

With the passage of HB 2475, it is crucial that the Commission adopts a mechanism to enable environmental justice and low-income customer organizations to receive funding to participate in Commission proceedings. The Commission should recognize the procedural inequities embedded in the regulatory process by making funding available for participation in UM 2114 and in this workshop series that is focused on issues of equity and social justice.

The SB 978 process provides a successful model on how the Commission could fund this work prior to more formal implementation of the HB 2475 intervenor-funding language. We encourage the Commission to follow that model and make funding available for organizations representing the interests of environmental justice and low-income customers and participating in UM 2114 as soon as possible.

II. IMPROVEMENTS TO THE DISCONNECTION PROCESS

We appreciate the openness from utilities, the Commission, and Staff to discussing needed improvements to the disconnection process. Recognizing the vital nature of utility service is central to this process, so is recognizing that the current disconnection rules are not equitable. It is time for the disconnection process to recognize and account for the inequities that place some members of our community at a higher risk of disconnection while often making them also more vulnerable to the impacts of disconnection.

A. Communications around disconnection should be trauma informed

Community members facing the risk of disconnection are often experiencing concurrent crises while doing their best to avoid disconnection. Given that people more often than not understand their interactions with utilities as one of a “debtor-creditor,” interaction with the utility at a time of financial crisis can be scary and overwhelming. Indeed, several of the Advocates work closely with communities in crisis and have heard that sentiment from community members in need of energy assistance. The disconnection process should account for that reality.

We suggest that utilities train customer service representatives (CSRs) on deescalation and trauma informed approaches as well as on implicit bias, and that they implement evaluations to assess if the trainings are successful. We also suggest that utilities evaluate their communication strategies with customers at risk of disconnection through a trauma-informed approach. Finally, we suggest that utilities periodically review their communication strategies around disconnection with CAAs and culturally-specific community-based organizations, and that utilities report to the Commission on how they are incorporating the feedback.

B. Avoiding disconnection should not be intimidating or unnecessarily time consuming

Utilities, agencies, the Commission, Oregon Housing Community Services (OHCS), and other stakeholders should exercise their discretion to address parts of this process that are intimidating or unduly time consuming to someone who may already be experiencing a crisis. We should also collectively advocate for other entities to use their discretion to simplify the process.

1. Information about resources and programs should be easily accessible and clear

Information is a key tool to helping someone avoid disconnection. Utilities should continue to provide adequate information on what assistance programs are available and how to apply. Utility CSRs should also continue to direct customers with arrears to their local agency and include with utility notices multilingual CAA materials on the energy assistance process. Importantly, utilities and CAAs should continue to work in partnership with community-based organizations that have direct and trust-based relationships with vulnerable and historically underserved communities.

Clear and upfront communication can make a significant difference for a family at risk for disconnection. For example, throughout the AMP discussions, we highlighted the need for utility messaging to deemphasize matches and openly advertise available grants. In the future, we hope to see grant options equally and explicitly advertised to all when those are available. CAAs have also encountered clients that do not have a clear sense of when the disconnection will occur. In our experience, people experiencing concurrent crises often focus on the most immediate crisis. Living with the "is today the day?" stress is disruptive for families. For that reason, we encourage clearer communication materials on the disconnection process, through plain language and graphs, and that are translated in relevant languages where those translations do not currently exist.

2. Families applying for energy assistance should be protected from disconnection

Prior to the pandemic, it was common practice for utilities to only halt disconnections when a family's energy assistance application was approved. We cannot return to a practice that fails to recognize the experience of a family in crisis and that is working to secure energy assistance, as well as the reality of seeking energy assistance.

The current protection that allows households additional time to navigate the energy assistance process decreases stress and panic for households. It is crucial to keep in place permanently the 60-day protection for people who self-certify that they are working to obtain energy assistance. We strongly believe this protection should be in place permanently. At the very least, it should stay in place through the duration of this proceeding and while the pandemic continues to place vulnerable communities at increased risk for financial insecurity that may threaten their ability to pay their bills.

3. The process to obtain energy assistance must be simplified wherever possible

Since avoiding disconnection is both time and resource intensive at a time when the applicant is experiencing a crisis, the process should be simplified.¹ We recognize that some of our recommendations in this subsection require actions outside of the Commission's control or sole control. As a result, this subsection underlines our collective responsibility as a community of entities working to make sure that vulnerable Oregonians do not fall through the cracks. To the extent possible, utilities, CAAs, the PUC, OHCS, and stakeholders must use our discretion to simplify and demystify the energy assistance process. Where our discretion ends, we ought to continue to advocate to make sure that those in need of energy assistance are not further penalized through cumbersome, time consuming, and overwhelming processes.

a. CAAs need to have the resources to serve their community

We need to ensure that CAAs are sufficiently resourced to serve their community. For example, a CAA that serves rural customers reports that potential clients in rural areas often do not apply because they do not know that assistance is available or how to meet documentation requirements. Sometimes the barrier is lack of internet or a smartphone. We ought to ensure that CAAs have the resources required for equitable access throughout their communities, accounting for variance in specific needs.

b. Energy assistance guidelines should be simpler where possible

Temporary eligibility guidelines shown to be effective during the pandemic should become permanent to help agencies better serve communities at risk of disconnection. For example, we should apply the learnings from the Energy Assistance Stability Coronavirus Relief (EASCR) to ongoing programs. EASCR showed that relaxed requirements allow CAAs to quickly distribute assistance to those in need. Similarly, the relaxed barriers to enrollment in Oregon Energy Assistance Program (OEAP) led to an easier application process for households and less administrative burden for agencies.

We must identify OEAP requirements that can be permanently relaxed and implement those changes without the burden of future resolution or completion (i.e. if self-declaration is made permanent, follow up to obtain documentation at a later date should not be necessary). A similar assessment should take place for customer-funded, utility-administered programs. Guidelines should be periodically reviewed to ensure that no specific population is disproportionately burdened (i.e. greater requirements for undocumented immigrants).

¹ See e.g. Lowrey, Annie, *The Atlantic*, *The Time Tax: Why is so much American bureaucracy left to average citizens?* (Jul. 27, 2021), <https://www.theatlantic.com/politics/archive/2021/07/how-government-learned-waste-your-time-tax/619568/>.

c. Strong referral and notice systems can help reduce the gaps in the system

Utilities and CAAs should continue working on robust referral systems where it makes sense. For example, we appreciate Portland General Electric's current approach that we understand provides assistance towards immediate reconnection from arrears management program funds, along with a time payment arrangement and referral to energy assistance (in at least parts of its service territory) so that the customer can manage the rest of the balance and avoid disconnection. The CAAs also expressed appreciation for PGE's continued outreach to households that have not been reconnected. PGE's strong referral and notification process should serve as a model for other utilities to adopt referral processes.

d. Arrears management programs are important to reduce the risk of disconnection

Utilities and CAAs should establish programs targeting households consistently at risk for disconnection and who energy assistance cannot serve as well. Most energy assistance programs are first-come, first-served, due in part to the limited funding available in relation to the need. With that in mind, we point throughout this document to examples of programs that seek to protect households consistently in need of energy assistance. One example is Avista's ongoing arrears management program. We expand on the topic of arrears management in subsection III.A.

C. Disconnection practices must account for customers' vulnerability

One-size-fits-all disconnection practices are inequitable. Different customers are differently situated with regards to risk of, and impacts from, disconnection. As a result, disconnection practices ought to consider the heightened vulnerability of certain customer groups.

We encourage the Commission to update its rules on disconnection, and the utilities to upgrade any practices that build on those rules, so that both rules and practices more equitably account for customer circumstances. For example, the Commission should consider setting higher disconnection arrearage minimums for customers who rely on utility services as the primary source of heating or cooling during periods of seasonal protection.² Similarly, households with elderly residents or young children should be treated differently in the disconnection process, as should households with other conditions of vulnerability to disconnection.³

Whether through greater timelines, arrearage minimums for disconnection, notice and contact requirements, etc., equitable disconnection rules would recognize that a subset of customers will

² NAACP, *Lights Out in the Cold: Reforming Utility Shut-Off Policies as if Human Rights Matter* v (Mar. 2017), <https://naacp.org/resources/lights-out-cold>.

³ We encourage the Commission to consider the categories that have been brought up for discussion in the context of wildfire conversations, specifically the "Functional and Access Needs/At-Risk Populations" concept that includes youth and the elderly, economically disadvantaged groups, groups with limited English proficiency, low literacy skills, and hearing/visual difficulties, people with medical conditions or who experience disability, and isolated groups. Illinois Department of Public Health, *Functional and Access Needs/At-Risk Populations* 1 (Jul. 2019), <http://dph.illinois.gov/sites/default/files/publications/080519-fan-resource-document-final-combined.pdf#:~:text=A%20functional%20and%20access%20needs%20%28FAN%29%2Fat-risk%20population%20is,physical%20and%20For%20cognitive%20disabilities%2C%20age%2C%20or%20language%20skills>.

be impacted more severely and therefore a different process is necessary. This Commission and the utilities should adopt more equitable disconnection rules and practices.

D. The Commission should maintain many of the customer protections that it adopted as a result of COVID-19

Current disconnection-related rules and practices penalize poor and vulnerable community members due to their experience of poverty and vulnerability. Indeed, low-income households are disproportionately impacted by practices like late-payment, disconnection and reconnection fees, deposit requirements associated with late or no-payment, arrears, or credit related issues, and reporting to credit agencies.⁴ The COVID-19 stipulation addressed many, if not all of these fees, deposit requirements, and reporting practices. We suggest that these be permanently eliminated for all customers, and at the very least for customers on medical certificates, households with children or elderly inhabitants, as well as for low-income⁵ and energy burdened customers, and for other vulnerable customers.⁶

We similarly encourage the Commission to maintain the extended notice requirements in the COVID-19 stipulation, as well as the limited disconnection windows to facilitate same-day reconnection, and the limitation on the use of third-parties for collections. Importantly, the Commission should also maintain the option for initial self-certification for customers with medical certificates. As with our recommendations above, these policies should be in place for all customers but at the very least for vulnerable customers.

III. BEST PRACTICES FOR ARREARS MANAGEMENT AND FOR THE REDUCTION OF ENERGY BURDEN AND ENERGY POVERTY

Energy burden and energy insecurity place considerable stress on already stretched households in addition to placing those households at risk of losing essential utility service. As a result, we encourage stakeholders, utilities, and Staff to prioritize reducing energy burden in this and other proceedings in order to leverage all tools to reduce the risk that people fall through the cracks and experience disconnection.

Importantly, we caution the Commission, Commission Staff, utilities, and stakeholder to recognize the limitations of energy burden as the sole measure that drives our efforts. People live multi-faceted lives and use all the tools they can, which includes sometimes choosing not to use energy due to fear of high bills. As a result, people living in poverty often forgo using the energy they need to keep their living environment comfortable and healthy. That decision may cause a family to look less energy burdened, yet overlooks the reality of energy poverty. Hence, we must recognize that energy burden is a metric of limited use and strive to understand how we can more comprehensively measure and account for energy poverty.

⁴ *Brief: Implementing a Roadmap to Utility Service as a Human Right 2* (Apr. 2021), https://www.nclc.org/images/pdf/special_projects/covid-19/IB_Utility_Bill_of_Rights.pdf.

⁵ Low-income customers include customers that are low-income though ineligible for energy assistance. We suggest 200% of the federal poverty guideline.

⁶ See Footnote 3.

We need consistent and permanent programs to address energy burden and energy poverty. Despite current and temporarily increased levels of energy assistance, there is not enough energy assistance to meet the need. Besides, energy assistance is not meant to alleviate a family's energy burden or energy poverty, and it does not do that. Indeed, a lump-sum, one-time payment, does not get a family to a place where less than 6% of their budget goes to energy on a consistent basis. We need ongoing, less crisis-focused solutions to compliment energy assistance, which is meant to help our community navigate moments of crisis.

Current models exist both in energy and in other areas. For example, under Section 8, a family in poverty pays rent based on income (a structural and ongoing approach), and rent assistance is still generally available for crisis situations. In the energy space, examples of permanent and structural approaches include ongoing arrears management programs that target those consistently at risk of disconnection, as well as low-income rates. Energy assistance would still be in place for situations of crisis that can put low-income families at risk of disconnection (illness, quarantine requirements, temporary work closures, unexpected expenses like a medical or dental bill, a broken appliance or the cost of new tires or a car repair). This is important because for a significant portion of households in the US a financial crisis is usually one unexpected problem or expense away.⁷

A. We need ongoing arrears management programs that serve customers consistently at risk of disconnection

We appreciate Avista's efforts to implement an ongoing arrears management program and encourage the other energy, investor-owned utilities in Oregon to follow suit. These programs have been shown elsewhere to be successful and to benefit the utility and participating customers.⁸

In addition to Avista's program, we point to Rhode Island's example, highlighted in the NAACP's *Lights Out in the Cold*, as a model for this Commission and the utilities to consider in developing ongoing arrears management programs. As we understand it, that state has an arrearage forgiveness program for customers eligible for low-income energy assistance who have experienced disconnection for non-payment or who are scheduled for disconnection. Under the program, "participating customers have one-twelfth of their arrearage forgiven for every month of successful payment, for up to \$1,500 of forgiveness in a year."⁹ The coalition of utility access advocates that developed "Implementing a Roadmap to Utility Service as a Human Right" also advocate for arrearage for arrearage forgiveness programs, specifically highlighting the need for

⁷ Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of US Households in 2018* (May 2019), <https://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-dealing-with-unexpected-expenses.htm> ("Altogether, 3 in 10 adults are either unable to pay their bills or are one modest financial setback away from hardship, slightly less than in 2017 (33 percent). Those with less education in particular are less able to handle these expenses. . . . Racial and ethnic minorities of each education level are even less able to handle a financial setback.").

⁸ National Consumer Law Center, *New DC Study Shows How Arrearage Management Programs Are a Win-Win for Companies and Customers Alike*, <https://www.nclc.org/issues/energy-utilities-a-communications/nclc-energy-utilities-telecom-blog/new-d-c-study-shows-how-arrearage-management-programs-are-a-win-win-for-companies-and-customers-alike.html>.

⁹ *Lights Out in the Cold* at 19.

programs for economically disadvantaged customers that forgive arrears after 12 months of current bill payments and that allows for occasional late or missed payments.¹⁰

B. We should leverage existing programs and prioritize communities at risk for disconnection.

We encourage the Commission, utilities, Staff, and stakeholders to recognize the role that existing programs could play in mitigating energy burden. We also encourage recognition that the expectation that those in our community with the lowest incomes pay for participation in those programs serves effectively as a barrier to their participation. As several of us raised in the context of the EO 20-04 Implementation Plan, this Commission must center throughout its work the end goal of equitable participation by impacted communities in all relevant programs, and especially in programs that improve their energy situation (affordability, security, health, wealth building).

Existing programs could mitigate a household's energy burden and energy poverty. For example, a no-cost subscription to community solar could nearly eliminate the electric utility bill for an energy-burdened household. Similarly, energy burden, energy poverty, and other household characteristics should be used to identify and implement energy efficiency and distributed generation programs, again, without expectations that customers already struggling to pay their bills have to contribute to the cost of those upgrades. Importantly, people with arrears should not be precluded from participating in and enjoying the benefits of programs that can reduce energy burden and energy poverty

We also encourage the Commission to look at the work of Ariel Drehbol at the American Council for an Energy-Efficient Economy. Ms. Drehbol has looked at utility best practices and highlighted approaches by three programs/utilities: Efficiency Vermont, DTE's Payment Troubled Pilot Program (Michigan), and ComED's Distressed Communities approach (Northern Illinois). We encourage the Commission, utilities, and the Energy Trust of Oregon to continue to improve Oregon's approach to delivering energy efficiency by taking on lessons and best practices from those and other successful programs that are reducing the risk of disconnection through energy efficiency.

Importantly, we encourage this Commission to recognize that imposing cost-effectiveness tests on low-income energy efficiency measures limits the ability of those programs to be equitable.

C. We should collaboratively develop the additional tools that HB 2475 enables

We need to leverage tools that help people at risk of disconnection have manageable bills in the first place, while recognizing the interconnectedness of the different programs, rules, and practices that impact our communities' relationship to energy. For example, It is important to start working on HB 2475 implementation, and on approaches that, like rate discounts or Percentage of Income Payment Plans, could reduce energy burden for customers that sign up. However, permanent HB 2475 solutions should be co-created with stakeholders that are closer to the experience of people experiencing energy burden, like the environmental justice and

¹⁰ *Roadmap to Utility Service* at 2.

low-income advocate organizations engaged in this workshop series and those that worked hard on HB 2475.

Importantly, the tools that emerge from the HB 2475 process do not negate the need for more equitable disconnection practices, increasingly accessible energy assistance, ongoing arrears management programs, and other solutions highlighted in this document. While we have a lot of hope on the promise of HB 2475 implementation, experience from other states indicate that not everyone who needs to be part of a program will access it and that other tools to mitigate the risk for disconnection, like those outlined in these comments, will remain important.

IV. ALTERNATIVES TO DISCONNECTION FOR NON-PAYMENT

The last 18 months of a global pandemic have underlined how crucial and essential energy utility services are for human wellbeing: from access to health and life sustaining heating, cooling, and air cleaning technology, to enabling access to services, cooking, and food security through the safe storage of perishable food. Indeed, last winter we heard too many stories of families that lacked access to energy utility service and died while trying to heat their homes.¹¹ That as well as the three heat waves that we experienced in the summer are reminders that losing access to energy utility service is not just an inconvenience; it can jeopardize a family's life.

As climate change is expected to increase the frequency and severity of severe weather events, we must recognize that uninterrupted access to utility service is a human right. As a result, this conversation on alternatives to disconnection for non-payment is timely and important. Yes, we must focus on solutions to reduce energy burden and energy poverty, but we must also recognize that gaps in the system will exist so we ought to make sure that those most vulnerable do not fall through those gaps.

Additionally, we need to ground these conversations on an understanding of the costs of disconnections, not only to the utility but to customers and to society. As a result, we consider it important to conduct a study on the financial and human costs of utility disconnections, as we requested earlier in the UM 2114 process.

A. Vulnerable communities should be protected from disconnection in recognition of the disproportionate impacts of disconnection on those communities

A process that is grounded in equity has to start from the recognition that some communities are both more vulnerable to disconnection and to the impacts of disconnection. As a result, and as we highlight above, a one-size-fits-all cannot be equitable.

For example, customers who rely on utility service as the primary source of heating or cooling should be protected from disconnection during the season when they need heating or cooling the most.¹² Additionally, socially vulnerable groups should be protected from disconnection at least

¹¹ In the cases we are aware of, the lack of access was due to poverty (homelessness) or outages.

¹² *Lights Out in the Cold* at 28.

seasonally.¹³ As stated above, those groups should include people with medical certificates, households with young and elderly people, low-income and energy burdened households, and other vulnerable groups.¹⁴ The utility should also implement surveys, in partnership with community-based organizations, to screen for socially vulnerable individuals,¹⁵ and the process to establish one's eligibility should be simple.¹⁶

B. Other stakeholder ideas should be explored

In this workshop process, we heard the idea of ensuring that everyone has a base level of access to energy utility service regardless of ability to pay. As we understand it, this approach would make sure that people who are “disconnected” would still have a base level of service per period. We would like to better understand this approach as part of this workshop series.

V. ADDITIONAL REQUESTS

As these comments highlight, energy utility services play a crucial and oftentimes vital role in a household's wellbeing. With that in mind, we raise the following additional issues that we consider key for this process.

A. The severe weather moratorium must evolve into a health-based approach

The last two years have underscored the essential, and oftentimes vital nature of utility service. The moratorium on energy utility disconnections protected our community's life and health during the first sixteen months of the pandemic,¹⁷ but its impacts went far beyond protecting our community from COVID-19. Though not its intended goal, the moratorium also protected our community during many days of air quality levels that were hazardous to human health. The moratorium also helped keep our vulnerable communities warm during an ice storm, and helped those with the necessary equipment cool in place during at least two heat events, including a heat dome that broke records and resulted in the biggest mass casualty event in Oregon's recent history. We remain convinced that the Commission's moratorium saved lives.

¹³ See e.g. *Lights Out in the Cold* at 19-20 (“Massachusetts offers expansive protection for individuals who are seriously ill, elderly, and have disabilities, but the state also requires that utilities take steps to protect young children. No disconnections are allowed for households with children under twelve-months, or for households where the only residents are aged sixty-five or older and minor children.”).

¹⁴ See Footnote 3.

¹⁵ *Lights Out in the Cold* at 29.

¹⁶ For example, participation in safety-net programs could be considered, just like categorical eligibility in the context of energy assistance.

¹⁷ Kay Jowers et al., *Housing Precarity & the COVID-19 Pandemic: Impacts of Utility Disconnection and Eviction Moratoria on Infections and Deaths Across US Counties* 1 (Jan. 2021), https://www.nber.org/system/files/working_papers/w28394/w28394.pdf (“We find that policies that limit evictions are found to reduce COVID-19 infections by 3.8% and reduce deaths by 11%. Moratoria on utility disconnections reduce COVID-19 infections by 4.4% and mortality rates by 7.4%. Had such policies been in place across all counties (i.e., adopted as federal policy) from early March 2020 through the end of November 2020, our estimated counterfactuals show that policies that limit evictions could have reduced COVID-19 infections by 14.2% and deaths by 40.7%. For moratoria on utility disconnections, COVID-19 infections rates could have been reduced by 8.7% and deaths by 14.8%.”).

Climate science indicates that extreme weather events will grow in frequency and severity, as is likely to be the case with wildfires and wildfire smoke events. As a result, it is crucial for this Commission to reframe the severe weather moratorium approach to a detrimental health impacts moratorium approach that focuses on the burdens associated with disconnections rather than on conditions.

In the last months, we have identified important and necessary improvements to the existing severe weather moratorium rules, like air quality and wildfire impacts. Additionally, we as Advocates have come to understand that halting disconnections starting on the day that an excessive weather event is forecasted may be too late, and that a moratorium should begin the moment a severe weather event is in the forecast. Similarly, we learned that we must prioritize reconnecting those who have been disconnected prior to a severe weather event, at least temporarily and regardless of payment. Additionally, we should recognize that utilities will likely be the only organizations with up to date information on who is disconnected and should either do outreach to those people or share that information with local fire and emergency management.

The health-based approach that we recommend builds on the work of stakeholders to adopt the severe weather framework, and it does so in recognition of our growing understanding of the increasingly essential nature of utility service both to functioning in society and to life and safety. What worked just a few years ago is unlikely to continue to be adequate, and the consequences of inadequacy would be too high.

B. We need continued visibility into data around disconnections as well as action when that data highlights inequitable impacts

Disconnections are a crisis. We need up-to-date and ongoing data to track that crisis, like data on utility disconnection rates, payment plan/deferred payment arrangement activity, and other relevant billing and collection data.¹⁸ That data should be tracked by zip code and shown by census tract. Those data reporting requirements should live beyond the COVID-19 stipulations.

Special attention must be paid to situations where disconnections or collection practices impact specific populations. As a result, the Commission should commit to investigating when data points to disconnections disproportionately impacting vulnerable communities, and the Commission and the Utility should remedy such disproportionate and inequitable impacts when they arise.¹⁹

C. We must explore how to address the inequitable vulnerability to, and impacts from, disconnections for undocumented Oregonians

We continue to urge a conversation that brings together utilities, community-based organizations, and other stakeholders to discuss what approaches may be possible to recognize the inequitable risk of disconnection that undocumented Oregonians experience, as well as the inequitable impact that disconnection can have on that community. This is crucial to assessing the situation and formulating solutions. For example, one idea we have heard is for a community-based

¹⁸ *Roadmap to Utility Service* at 2.

¹⁹ *Id.*

organization to be in charge of collecting data on customers that should be protected from disconnection, including undocumented customers. Whether this is a feasible approach requires a conversation with the stakeholders listed above. Staff has been so far reluctant to explore this specific topic in detail, and we hope to see that reluctance shift to openness to explore solutions for one of Oregon's most vulnerable communities.

D. The Commission must convene a standing advisory committee on low-income customers, energy burden, and related social inequities

This workshop series and the space it has created is crucial and important, and we fully support it as a space for crucial changes. The series has at times been described as the "Paragraph 28" process.

Paragraph 28 of the COVID-19 stipulation calls for an advisory committee on low-income customers' energy burden and related social inequities. This important and crucial workshop series is not a replacement for the advisory committee. We eagerly await the formation of the standing advisory committee consistent with Paragraph 28 of the COVID-19 stipulation.

VI. QUESTIONS/REQUESTS FOR INFORMATION

The 7/22 workshop spurred the following Advocate questions that we believe would help us as we approach this process:

- How do utilities, Staff, and the Commission see HB 2475 interacting with this process?
- How does AMI technology influence ability/cost related to connecting/disconnection?
- What are utilities' current disconnection practices (post-moratorium and more generally)?
Where does each utility go beyond rule requirements?
 - We request that these be provided in writing as we have heard descriptions from utilities a few times at meetings, and it would be very helpful for the Advocates to have them in writing to be better able to track and compare the six potentially different sets of practices.
- How do utilities' disconnection processes interact with PUC Consumer Services?
 - We would like to better understand what the PUC Consumer Services staff do and how it interacts with utilities' processes generally.
- What portion of AMP funds went to the population with the highest burden?

VII. CONCLUSION

Energy utility access is crucial and increasingly vital. For more equitable energy utility access, we must recognize that the rules and practices that have long governed disconnections and arrears disproportionately impact already vulnerable communities. A one-size-fits-all approach cannot be equitable. It is time for our disconnection and arrears management rules practices to center equity and to recognize that energy utility access is vital and should be treated as such. We

must address the gaps in the system and deploy all the tools to reduce, and eventually eliminate, disconnections for inability to pay.

This workshop series cannot stop at a conversation. We need real action. With that in mind, we offer the proposals above.

Respectfully submitted this 27th day of September,

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