

4/16/2021

To: Chair Megan Decker
Commissioner Letha Tawney
Commissioner Mark Thompson
Oregon Public Utility Commission Staff

RE: UM 2114 - Disconnection Moratorium Update

Chair Decker, Commissioner Tawney, Commissioner Thompson, and Staff:

We the undersigned organizations, wish to provide comment and make a request of Oregon Public Utility Commission (PUC) staff that will improve outcomes and provide much needed information with regard to UM 2114. In particular, we hope to achieve a better understanding of the system costs and impacts of collections, disconnections, and arrearage management plans (AMPs), as well as how realistic it is to expect that arrearages can ever be fully cleared. As an economic regulator, the PUC is well positioned to explore each of these issues and such investigation will help both staff and stakeholders better understand the economic impacts and opportunities associated with different approaches to arrearage management and mitigation. Regardless, we ask that in any recommendation to the Commission, that staff account fully for the costs and benefits of all potential decisions on the table. Our **request** is that **in their report for the May 13 UM 2114 workshop, staff analyze data that accomplishes the aforementioned goals.** Below are examples of the kinds of data points that would be helpful:

Data Collection and Analysis

- The total cost of the collection process for the +275k past-due customer accounts (if the moratorium were to be lifted).
- The cost of disconnecting some percentage of those customers who would not be able to pay. Our preference is to focus on ratepayers who are past due by more than 90 days.
- The total projected cost of administering the AMP programs.
- What percentage of people taking advantage of AMP programs or who benefit from the moratorium truly need those programs and would not have the resources to pay down their bills otherwise?
- What is the likelihood / percentage of customers who would be unable to pay, even with the tools we already have?

- What is the total cost of arrearages that are likely to remain uncollected when the moratorium is lifted and AMP programs have been exhausted?
- What are the impacts that result from resuming disconnections? Of particular concern are the aggregate health and economic impact.

Questions for Staff to Answer

- What is the PUC statutory authority to create alternative solutions to AMPs or disconnections as a means for addressing arrearages. For example: debt forgiveness that is not borne by customers in a rate case.

Our organizations are concerned that we do not yet understand the full scope of ramifications associated with different approaches to arrearage management and that at some point we must grapple with the reality that there will be debt that can never be paid. We must acknowledge this problem early if we are to explore the best possible solutions and new approaches that may be needed. For example, the Minnesota Public Utilities Commission recently approved Xcel Energy shareholders to fund ratepayer bill assistance.¹ We are certain that conversations like these will be necessary and inevitable, as the colossal impacts of the pandemic on ratepayers are not likely to be resolved with the solutions on the table alone.

Respectfully,

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Alessandra de la Torre, Rogue Climate

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Knowledge Murphy, Multnomah County Office of Sustainability

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<https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?method=showPop&documentId=%7B205B9378-0000-C81B-971D-C05EEC702B84%7D&documentTitle=20214-172538-01>

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