

February 16, 2021

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street
Keystone Bldg.
Harrisburg, PA 17105

***Re: COVID-19 Utility Termination Moratorium and Low-Income Consumer Protections
Docket No. M-2020-3019244***

We, the undersigned Pennsylvania individuals, agencies, organizations, and associations, urge the Commission to extend the prohibition on involuntary termination for “protected customers” with income at or below 300% of the federal poverty level. In addition, we strongly encourage the Commission to adopt an equitable, statewide plan for the resolution of utility arrears that does not exacerbate the economic devastation and public health crisis facing low-income communities. Uninterrupted, affordable utility service is essential to helping families survive and recover from this pandemic.

The Commission should extend the prohibition on involuntary termination of “protected customers” because utility terminations remain a threat to public health and safety.

In March 2020, the Commission wisely implemented a utility termination moratorium, noting that “irreparable injury to the public is likely to occur with disruption of service, creating a clear and present danger to life.”ⁱ In October 2020, the Commission modified the moratorium order, allowing utility terminations to resume but providing consumer protections to those at or below 300% of the federal poverty level. COVID-19 continues to devastate Pennsylvania communities and necessitates the continuation of a utility termination moratorium. As of January 30, 2021, the daily rate of COVID-19 diagnoses remains high, at 3,944 cases. Tragically, more than 21,000 Pennsylvanians have lost their lives to this pandemic and many more deaths are expected to follow in the coming months.ⁱⁱ Public health experts note that, notwithstanding recent efforts to vaccinate the public, this pandemic is far from over. Pennsylvania remains in a state of emergency, and both state and federal officials have continued to direct Pennsylvanians to take a variety of precautions to prevent the transmission of the virus – which continues to evolve in new and unpredictable ways.ⁱⁱⁱ

In light of the ongoing public health emergency, we urge the Commission to extend the prohibition on involuntary termination of “protected customers” contained in its October Order. Without further action from the Commission, low-income utility consumers will likely suffer catastrophic harm when utilities resume utility terminations in the spring. A recent study found that utility moratoria nationwide reduced COVID-19 infections by 4.4% and mortality rates by 7.4%.^{iv} Termination of utility service makes homes unsafe and uninhabitable, and places families and whole communities at risk of physical and financial harm.

The Commission should adopt an equitable plan for the resolution of utility arrears.

Over the course of the COVID-19 pandemic, millions of Pennsylvanians - disproportionately from low income, Black, and Latinx communities - are out of work, or have experienced a substantial reduction in income.^v At the same time, families continue to stay home to prevent the spread of the deadly virus, causing utility usage and costs to remain abnormally high. As a result, households have struggled to keep up with mounting utility bills, and have accrued a staggering level of debt.^{vi} Those debts are likely to continue to accrue during the recovery period.

The solution to this unprecedented accrual of debt is not to turn off service – forcing people from their homes. Such a result is unconscionable, and will only exacerbate the current public health crisis, disproportionately affect Black and Latinx neighborhoods and compounding deep economic and racial inequities laid bare throughout the pandemic. We urge the Commission to ensure that all consumers have access to flexible payment options – including comprehensive arrearage management and debt forgiveness programming – to help stabilize struggling families and eliminate the lingering threat of utility termination.

The Commission should not place the full responsibility for repayment of these arrears solely upon the shoulders of residential utility ratepayers. COVID-19 has had devastating effects on Pennsylvania’s economy. As of the end of 2020 more than 2.5 million Pennsylvanians are unemployed/have filed for unemployment.^{vii} The Commission should adopt an innovative and equitable approach that spreads the responsibility for these arrears across all sectors of our society.

We urge the Commission to extend consumer protections to Pennsylvanians who are most vulnerable.

This Commission has acted boldly to protect Pennsylvanians from harm since the start of the pandemic. We urge the Commission to continue to demonstrate the same dynamic leadership by extending the current prohibition on termination for protected customers and implementing a comprehensive consumer protection plan that includes an equitable strategy for the resolution of utility arrears. While we have all grown weary of the pandemic, the threat to public health and safety remains and must compel the Commission to take further action to protect our most vulnerable community members. This requires the Commission to protect low income households from the loss of services until the pandemic subsides and utilities have developed an equitable plan to address mounting arrears that will avoid widespread terminations that will hinder Pennsylvania’s broader recovery.

Respectfully,

ⁱ Emergency Order entered March 13, 2020 at 2, <https://www.puc.pa.gov/pcdocs/1658422.pdf>

ⁱⁱ <https://www.health.pa.gov/topics/disease/coronavirus/Pages/Cases.aspx>

ⁱⁱⁱ Pennsylvania remains under a stay at home advisory, with limits on in-person operations of businesses and limitations on the number of individuals who can gather together indoors. *See* <https://www.pa.gov/guides/responding-to-covid-19/>. In addition, new coronavirus variants are emerging, causing experts to double down on mask and social distancing advice. *See*

<https://www.inquirer.com/health/coronavirus/coronavirus-double-mask-variants-mutations-20210128.html>

^{iv} *See* Housing Precarity & the COVID-19 Pandemic: Impacts of Utility Disconnection and Eviction Moratoria on Infections and Deaths across US Counties,

https://www.nber.org/system/files/working_papers/w28394/w28394.pdf. Applying Pennsylvania numbers, this means that the current moratorium on termination saved approximately 1500 lives and prevented nearly 37,000 infections.

^v As of January 18, 2021, 23% of Pennsylvanians expected someone in their household to have a loss of employment income in the next 4 weeks. <https://www.census.gov/data-tools/demo/hhp/#/>

^{vi} Based on numbers reported by the utilities at this docket, regulated utility debts have reached nearly \$812 million as of December 31, 2020, up 64% from December of 2019. In addition, 847,000 accounts are eligible for termination as of December 31, 2020, up 17% from December of 2019.

^{vii} <https://www.uc.pa.gov/COVID-19/Statistics/Pages/UC-Claim-Statistics.aspx>. To date in 2021, more than 100,000 claims have been filed for unemployment.