

Decision No. C20-0452

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 20M-0267EG

IN THE MATTER OF THE COMMISSION'S IMPLEMENTATION OF SENATE BILL 20-030
RELATING TO INCREASED CONSUMER PROTECTIONS FOR INVESTOR OWNED
UTILITIES.

**DECISION OPENING PROCEEDING,
AND SOLICITING INFORMATION AND COMMENTS**

Mailed Date: June 19, 2020
Adopted Date: June 17, 2020

I. BY THE COMMISSION

A. Statement

1. By this Decision, the Colorado Public Utilities Commission opens this miscellaneous proceeding to collect comments and other information regarding the statutory changes in Senate Bill (SB) 20-030 that directs the Commission to promulgate rules regarding reporting requirements for medical exemptions from electricity tiered rates and standard practices for disconnection policies applicable to all Colorado gas and electric utilities. The rulemaking concerning disconnection policies must begin on or before September 1, 2020.

2. The Commission also requests that the Colorado electric and gas investor owned utilities respond to questions regarding the utilities' responses to the COVID-19 pandemic, comparison to previous years' data in outlined categories, and other information as stated in this Decision.

3. Through separate decision, after the conclusion of this stakeholder outreach proceeding, the Commission will consider a Notice of Proposed Rulemaking (NOPR) to

implement the requirements in SB 20-030. Stakeholder comments, proposed rule revisions, and discussion in this outreach proceeding will be instrumental in a future NOPR issued pursuant to the requirements in §§ 40-3-103.5, 40-3-103.6, 40-3-106, and 40-3-110, C.R.S.

B. Background regarding Senate Bill 20-030

4. Senate Bill 20-030 sets forth certain requirements for an exemption from any tiered electricity rate plan based on a customer's medical condition in Colorado pursuant to § 40-3-103.5, C.R.S. The Commission's rules must provide a mechanism for the recovery of costs associated with implementing and providing the medical exemption.

5. If the Commission determines that a means test is necessary for the medical exemption, the Commission shall use no less than 400 percent of the federal poverty level for the customer's household as the maximum income to be eligible for the medical exemption.

6. After September 1, 2020, the Commission shall require utilities to periodically report the number of their customers who receive the medical exemption and to describe the efforts made during each reporting period to facilitate the enrollment of qualified persons in their medical exemption programs.

7. Senate Bill 20-030 requires the Commission to commence a rulemaking proceeding to adopt standard practices for gas and electric utilities to use when disconnecting service due to non-payment, pursuant to § 40-3-103.6, C.R.S.

8. The standard practices must include: 1) resources to support customers in multiple languages; 2) limiting shut-off times to reasonable hours of the day Monday through Friday, excluding holidays, so that customers can attempt to reconnect on the same day; 3) prescribed terms and conditions for payment plans to cure delinquency; 4) referral of delinquent customers to energy payment assistance resources such as Energy Outreach Colorado, charities, nonprofits and

state agencies that provide or administer funds for low-income energy assistance; 5) standardized methodology to be used in determining reconnection fees and deposit requirements for reconnections; 6) protection policies for customers with medical issues; 7) prohibitions on the disconnection of service during periods of extreme heat or cold based on geography; 8) a prohibition on the remote disconnection of service for nonpayment through advanced metering infrastructure without a reasonable attempt to make contact with customer of record by telephone or engaging in a personal visit to the premises; and, 9) at least annual reporting requirements to provide the Commission with standardized information from all utilities about disconnections and delinquencies. For the purpose of trend analysis, utilities may disaggregate data by month or by quarter; reporting requirements must take into consideration existing utility reporting and must allow the utilities a reasonable ability to ascertain data.

9. The Commission shall publish on its website or require utilities to publish on their websites: 1) information regarding the standard practice and fees; 2) trend analysis information.

10. Senate Bill 20-030, at § 40-3-106, C.R.S., also requires that for rates resulting from a rate design change by the Commission on or after September 1, 2020, the Commission shall require utility revenue or billing adjustment mechanism to ensure that a utility's change in rate design results in a revenue-neutral outcome. In adopting new rate designs for residential customers, the Commission shall evaluate the potential for higher bills that disproportionately negatively impact low-income customers. Any such rates are presumed to be contrary to the public interest.

C. Discussion

11. The purpose of this miscellaneous proceeding is to invite gas and electric utilities and other interested stakeholders to submit comments and potentially file rule change proposals prior to the Commission's issuance of a NOPR as required by Senate Bill 20-030. In addition to

any draft rule language and comments on the requirements of Senate Bill 20-030, we request the following data and information related to the customer impacts of the COVID-19 pandemic from the investor owned utilities in Colorado, Black Hills Colorado Electric, LLC and Black Hills Colorado Gas, Inc., Public Service Company of Colorado, Atmos Energy Corporation, and Colorado Natural Gas, Inc., as applicable.

i. Medical Exemption from Tiered Rates, § 40-3-103.5, C.R.S.

12. How many customers are currently on a Medical Exemption Rate schedule pursuant to 4 Code of Colorado Regulations (CCR) 723-3-3413? How does that number compare with 2019 and 2018 year-end customer totals on this rate schedule?

13. If the utility, or a Commission approved third party, pursuant to 4 CCR 723-3-3413(f), conducts a verification of household income, provide all available information concerning those customers applying for a Medical Exemption Rate that were determined ineligible. In particular, how many such determinations were made and what were the income determinations for these customers determined ineligible, as a percentage of federal poverty guidelines?

14. Staff of the Commission is requested to enter into the record of this proceeding the 2017 - 2019 Annual Reports received pursuant to Rule 3413(i).

15. Have you carried out any customer outreach regarding this program in 2020? If so, what did the outreach entail?

16. Section 40-3-103.5(3) allows the Commission to apply a means test to this program, and that if the Commission determines a means test is necessary, eligibility shall be no less than four hundred percent of the federal poverty level. Should the Commission apply such a means test under these conditions? Why or why not?

ii. Disconnections, § 40-3-103.6, C.R.S.

17. What are the current processes and fees included in a delinquency through disconnection and then reconnection? What is the current process for disconnection and subsequent reconnection for each customer class? What are the associated fees with disconnection and subsequent reconnection, by class of customer? What is the discrete customer cost to the utility for the disconnect and subsequent reconnect process, by customer class? What was the total annual cost, by customer class, for disconnections and subsequent reconnections?

18. Is the disconnection/reconnection process different for customers on AMI meters? If so, how?

iii. Rate Design Alternatives, § 40-3-106, C.R.S.

19. How should the Commission ensure that future changes in rate design are ‘revenue-neutral’?

iv. COVID-19 related questions and requests for data.

20. Provide, by customer class, the number and dollar the amount of payment delinquencies from April to June, 2020. Provide the same information for April to June 2019. How many customers by customer class are currently facing disconnection?

21. What is the utility’s plan for these customers?

22. What bill relief options is the utility offering to customers? Please include to which classes of customers the options are available. How is the utility ensuring that customers are aware of these options?

23. Within the constraints of acceptable cost allocation practices, and with full consideration of the potential for avoiding future costs, what additional customer assistance practices should the Commission consider recommending or requiring of regulated utilities that

serve to reduce the likelihood of future delinquencies or disconnections, across all customer classes?

D. Procedures

24. We open this proceeding as administrative proceeding under 4 *Code of Colorado Regulations* 723-1-1004(b).

25. We intend to use this pre-rulemaking proceeding as a means to collect information on the steps that the Commission should take to meet the requirements of Senate Bill 20-030, as well as to address on-going concerns regarding the impact of the COVID-19 pandemic on utilities and their customers. We request that the gas and electric utilities and any other stakeholders and interested participants respond to the questions contained in this Decision and suggest rules consistent with the new statutory requirements.

26. We invite electric and gas utilities and other interested participants to submit initial comments and responses to the Commission's requests for information in response to this Decision no later than July 10, 2020.

27. The Commission will hold a remote Commissioner Information Meeting (CIM) on these matters on July 29, 2020. We require Black Hills Colorado Electric, LLC and Black Hills Colorado Gas, Inc., Public Service Company of Colorado, Atmos Energy Corporation, and Colorado Natural Gas, Inc. to participate in this CIM and invite Energy Outreach Colorado, the Colorado Low-Income Energy Assistance Program, and other stakeholders to participate as well. Information regarding how to participate in this CIM will be emailed to those participants prior to the meeting.

II. ORDER

A. The Commission Orders That:

1. The Commission opens this Miscellaneous Proceeding to collect comments and other information given statutory changes in Senate Bill (SB) 20-030 that revises §§ 40-3-103.5, 40-3-103.6, 40-3-106, and 40-3-110, C.R.S., directing the Commission to commence a rulemaking proceeding by September 1, 2020.

2. The Commission also requests information regarding the effect of the COVID-19 pandemic on electric and gas utilities and their customers.

3. This Proceeding is designated as an administrative proceeding under 4 *Code of Colorado Regulations* 723-1-1004(b).

4. Interested stakeholders and electric and gas utilities shall submit initial comments in response to this Decision no later than July 10, 2020.

5. A Commissioners' Information Meeting shall be held as follows

DATE: July 29, 2020
TIME: 1:00 p.m. to 4:00 p.m.
PLACE: Commission Hearing Room
Suite 250
1560 Broadway
Denver, Colorado

6. This Decision is effective upon its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
June 17, 2020.**

(S E A L)



ATTEST: A TRUE COPY



Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

JOHN GAVAN

MEGAN M. GILMAN

Commissioners