

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

-----In the Matter of-----)
)
 PUBLIC UTILITIES COMMISSION) DOCKET NO. 2020-0209
)
 Proceeding to Gather Data to Inform)
 Commission Decision-Making)
 Regarding Suspension of Utility)
 Disconnections and Related Issues)
 As a Result of the COVID-19)
 Pandemic.)
 _____)

ORDER NO. 37667

(1) EXTENDING SUSPENSION OF DISCONNECTION OF REGULATED
UTILITY SERVICES DUE TO NON-PAYMENT AND/OR ASSESSMENT OF
OTHER CHARGES THROUGH MAY 31, 2021, AND (2) DETAILING STEPS
FOR TERMINATING THE DISCONNECTION SUSPENSION ON JUNE 1, 2021

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UTILITY SERVICES DUE TO NON-PAYMENT AND/OR ASSESSMENT OF
OTHER CHARGES THROUGH MAY 31, 2021, AND (2) DETAILING STEPS
FOR TERMINATING THE DISCONNECTION SUSPENSION ON JUNE 1, 2021

By this Order, the Public Utilities Commission ("Commission"), extends the suspension of termination or disconnection of regulated utility services due to non-payment and/or assessment of other charges through May 31, 2021, as set forth herein,¹ and details the steps for termination of the disconnection suspension on June 1, 2021.

¹This Order applies to all Commission-regulated electric, gas, water, and wastewater public utilities in the State of Hawaii ("Utilities," or "Utility," individually), and applies to certain Commission-regulated telecommunications utilities as set forth in Order No. 37506, "(1) Extending Suspension of Termination or Disconnection of Regulated Utility Services Due to Non-Payment And/Or Assessment of Other Charges Through March 31, 2021, (2) Establishing Utility Reporting Requirements and Opening a Repository Docket, and (3) Setting Forth Next Steps

I.

BACKGROUND

A.

Past Commission Orders

By Order No. 37125, filed on May 4, 2020,² Order No. 37153, filed on May 28, 2020,³ Order No. 37189, filed on June 26, 2020,⁴ Order No. 37251, filed on July 31, 2020,⁵ Order No. 37284, filed on August 24, 2020,⁶ and Order No. 37506,

for Transition Planning," filed on December 22, 2020 ("Order No. 37506"), at 9-11.

²Order No. 37125 (Non-Docketed), "Addressing the Consumer Advocate's Request for Suspension of Termination or Disconnection of Regulated Utility Services Due to Non-Payment and/or Assessment of Other Charges During the COVID-19 Pandemic," filed on May 4, 2020 ("Order No. 37125").

³Order No. 37153 (Non-Docketed), "Extending Suspension of Termination or Disconnection of Regulated Utility Services Due To Non-Payment and/or Assessment of Other Charges Through June 30, 2020," filed on May 28, 2020 ("Order No. 37153").

⁴Order No. 37189 (Non-Docketed), "Extending Suspension of Termination or Disconnection of Regulated Utility Services Due To Non-Payment and/or Assessment of Other Charges Through July 31, 2020," filed on June 26, 2020 ("Order No. 37189").

⁵Order No. 37251 (Non-Docketed), "Extending Suspension of Termination or Disconnection of Regulated Utility Services Due To Non-Payment and/or Assessment of Other Charges Through August 31, 2020," filed on July 31, 2020 ("Order No. 37251").

⁶Order No. 37284 (Non-Docketed), "Extending Suspension of Termination or Disconnection of Regulated Utility Services Due To Non-Payment and/or Assessment of Other Charges Through December 31, 2020," filed on August 24, 2020 ("Order No. 37284").

the Commission determined that “based on the extraordinary circumstances related to COVID-19, and on the Commission’s expedited investigation into this matter[,]” “all Commission-regulated electric, gas, telecommunications, water, and wastewater public utilities in the State of Hawaii (“Utilities,” or “Utility,” individually) shall suspend disconnections of electricity, gas, telecommunications, water, and wastewater services during the pendency of the Governor’s Emergency Proclamation until otherwise ordered by the Commission.”⁷ The Commission also suspended, pending further orders, any and all rules and provisions of individual utility tariffs that prevent or condition re-connection of disconnected customers.⁸

The Commission previously authorized each of these Utilities to establish regulatory assets to record costs resulting from the suspension of disconnections. The Commission also stated that in future proceedings it would consider whether any Utility’s request for recovery of these regulatory assets is reasonable and necessary, as well as issues including the appropriate period of recovery for the approved amount of regulatory assets, any amount

All of the foregoing listed non-docketed orders are available at: <https://puc.hawaii.gov/covid19/>, under the “General” heading.

⁷Order No. 37125 at 4, 7.

⁸Order No. 37125 at 4.

of carrying costs thereon, any savings directly attributable to suspension of disconnects, and other related matters.⁹

In Order No. 37506, which opened the instant docket, the Commission:

1. Extended suspension of termination or disconnection of regulated Utility services due to non-payment and/or assessment of other charges through March 31, 2021;

2. Required Utilities to develop payment plans for their customers who have past due payments of greater than sixty (60) days;

3. Prohibited Utilities from charging customers interest on past due payments or imposing late payment fees through March 31, 2021; and

4. Established monthly Utility reporting requirements to assist the Commission with determining next steps, and briefly discussed transition planning.¹⁰

The Commission received monthly reports from a variety of Utilities on February 1 and March 1, 2021, filed in Docket No. 2020-0209.

⁹Order No. 37125 at 5; Order No. 37153 at 2; Order No. 37189 at 2; Order No. 37251 at 2; and Order No. 37284 at 3.

¹⁰Order No. 37506 6-7, 11-16.

II.

DISCUSSION

A.

Extension of Disconnection Suspension Through May 31, 2021

1. Given the ongoing economic effects from the COVID-19 Pandemic and the need for lead time for utilities to prepare for the termination of the disconnection suspension, the Commission extends, through May 31, 2021, the (1) suspension of disconnections of electricity, gas, water, and wastewater services, and (2) suspension of any and all rules and provisions of individual Utility tariffs that prevent or condition re-connection of disconnected customers.¹¹

2. As set forth in Order No. 37506, the Commission continues to require Utilities to develop payment plans for their customers who have past due payments of greater than sixty (60) days.

3. As set forth in Order No. 37506, the Commission continues to prohibit Utilities from charging customers interest

¹¹As noted above, Order No. 37506 exempted wireless telecommunication carriers from the disconnection suspension and reporting requirements, extended the disconnection suspension for only residential, wireline customers, and maintained reporting requirements for providers of residential, commercial, and government wireline service. See Order No. 37506 at 10-11.

on past due payments or imposing late payment fees through May 31, 2021.

4. Any Utility that booked regulatory assets consistent with the authorization provided in either Order Nos. 37125, 37153, 37189, 37251, 37284, or 37506 must file a quarterly report,¹² detailing the amounts of the costs incurred and any savings realized, which have been booked to the regulatory assets. These quarterly reports should include: (a) updated information regarding the Utility's financial condition, and (b) a list of the measures the Utility has in place to assist its customers during the COVID-19 emergency situation. A Utility should inform the Commission in its quarterly reports if a previously-reported upon measure the Utility had in place to assist customers has since been terminated, as well as a short description of the Utility's rationale for the termination of that measure.¹³

¹²The last quarterly report was due on February 1, 2021, and the next one will be due on May 1, 2021.

The Commission issued Protective Order No. 37543 in the instant docket to govern a Utility's filing of any confidential financial or business information included in these reports.

¹³See Order No. 37125 at 6, Order No. 37153 at 4, Order No. 37189 at 5, and Order No. 37251 at 5-6. Order No. 37506 ordered that, "[a]ny Utilities that have elected to utilize deferred accounting are directed to file their quarterly reports in the instant docket (rather than filing them as non-docketed reports), beginning with the quarterly report due on February 1, 2021."

5. Utilities' monthly reports required by Order No. 37506 continue to be due monthly on the first of the month, until otherwise ordered by the Commission.¹⁴

6. This Order shall not affect a Utility's ability to disconnect a customer's service for public safety concerns unrelated to non-payment of services.

7. The Commission also emphasizes that customers should continue paying their bills to the extent possible during this time, noting that customers will still ultimately be responsible for paying Utility service billings accrued during this suspension.

8. If a Utility subject to this Order maintains a website, such Utility shall provide notice of this Order's content on such website, and in any other prominent place that the Utility finds will help inform its customers.

B.

Terminating the Disconnection Suspension

In anticipation of termination of the disconnection suspension on June 1, 2021, the Commission sets forth the following requirements for Utilities:

¹⁴Order No. 37506 at 16.

1. By May 1, 2021, Utilities must notify all customers that the disconnection suspension is being lifted as of June 1, 2021, with targeted communications to customers who would currently be at risk of disconnection (e.g., who would be disconnected if the suspension were lifted on May 1, 2021).

2. Establish minimum and maximum term lengths for Utility payment plans;¹⁵ and

3. Retroactively waive all late payment fees and any interest on late payments incurred between the Governor's first COVID-19-related emergency proclamation on March 5, 2020,¹⁶ and May 31, 2021.

Further, by May 1, 2021, the Commission requires a one-time, additional report ("Pre-Disconnection Suspension Termination Report") from Utilities, including the following:

- a. A detailed description of the payment plans for each customer class that will be in effect once the moratorium is lifted, including the minimum and maximum term lengths for which the plans will be offered;
- b. Eligibility criteria, including the designation of any groups of customers that the utilities have identified that are at particular risk for disconnection;

¹⁵A survey of utility payment plans in other states showed a general minimum term length of 4-6 months and a maximum term length of 12-18 months.

¹⁶See https://governor.hawaii.gov/wp-content/uploads/2020/03/2003020-GOV-Emergency-Proclamation_COVID-19.pdf.

- c. When, prior to the lifting of the suspension, payment plans have commenced or will commence;
- d. When and how notice was provided to Utility customers, particularly those customers that are at risk for disconnection (see Paragraph 1., above); and
- e. Any proposed tariff changes necessary to implement the Utility's payment plans or customer protections.

Regarding forgiveness plans, Order No. 37506 stated that "given that the Commission and the State are still awaiting information regarding any forthcoming federal aid that might be available to utility customers to ease the economic impacts of the COVID-19 pandemic, the Commission defers consideration of the issue of forgiveness plans until it is able to gather more information about the existence and amount of aid that may be available."¹⁷ The State of Hawaii and the Counties have received approximately \$152 million in Emergency Rental Assistance Program funding through the U.S. Department of the Treasury,¹⁸ which is

¹⁷Order No. 37506 at 18-19.

¹⁸The Department of the Treasury's Emergency Rental Assistance Program was established by section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Dec. 27, 2020) (the "Act"). It "makes available \$25 billion to assist households that are unable to pay rent and utilities due to the COVID- 19 pandemic. . . Grantees use the funds to provide assistance to eligible households through existing or newly created rental assistance programs." See <https://home.treasury.gov/policy-issues/cares/emergency-rental-assistance-program>;

available to cover eligible customers' rent and utility arrears. Information on eligibility and application for that Emergency Rental Assistance Program funding will be forthcoming from the Counties. As such, the Commission will defer addressing forgiveness plans until the distribution of the Emergency Rental Assistance Program, and any additional forthcoming, federal funding.

III.

ORDERS

THE COMMISSION ORDERS:

1. The Commission finds good cause to extend the suspension of disconnection of service originally set forth in Order Nos. 37125, 37153, 37189, 37251, 37284, and 37506, until May 31, 2021, as set forth herein, in part to provide lead time to Utilities to prepare for the termination of the disconnection suspension and communicate the termination with customers.

2. Any Utility that books regulatory assets consistent with the authorization provided in either Order Nos. 37125, 37153, 37189, 37251, 37284, or 37506, must file a quarterly report

see also <https://www.schatz.senate.gov/coronavirus/renters-homeowners>.

as set forth therein, detailing the amounts of the costs incurred which have been booked to the regulatory assets and any savings realized, and Utilities must also adhere to the monthly Reporting Requirements established in Order No. 37506, until otherwise ordered by the Commission.

3. By May 1, 2021, Utilities shall also file their Pre-Disconnection Suspension Termination Reports, described in Section II.C., above.

4. The Commission terminates the Utility disconnection suspension, initially established via Order No. 37125, beginning June 1, 2021.

DONE at Honolulu, Hawaii MARCH 10, 2021.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By James P. Griffin, Chair By Jennifer M. Potter, Commissioner

APPROVED AS TO FORM:

Caroline C. Ishida By Leodoloff R. Asuncion, Jr., Commissioner
Caroline C. Ishida
Commission Counsel

2020-0209.ljk

CERTIFICATE OF SERVICE

Pursuant to Order No. 37043, the foregoing Order was served on the date it was uploaded to the Public Utilities Commission's Document Management System and served through the Document Management System's electronic Distribution List.

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PUBLIC UTILITIES
COMMISSION

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