

May 14, 2020

Mr. Will Seuffert, Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, MN 55101

RE: In the Matter of an Inquiry into Actions by Electric and Natural Gas Utilities in Light of the COVID-19 Pandemic Emergency
Docket No.: E,G999/CI-20-375

Dear Mr. Seuffert:

As the COVID-19 pandemic continues to unfold in Minnesota, the below-listed organizations sent a letter to Governor Tim Walz today offering several recommendations for statewide action related to energy and water utilities. We are also filing the letter via eDockets as it relates to the above-captioned docket.

Our organizations also support the reporting requirements set forth by the Minnesota Public Utilities Commission in its April 14, 2020, *Notice of Reporting, Comment Period, and Procedure*. We believe that robust reporting is critical during this time to understand the circumstances being faced by utility customers, including those who are newly facing hardships as a result of the COVID-19 pandemic.

Thank you for your attention to this matter. Please contact Ben Passer at Fresh Energy with any questions.

Sincerely,

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Community Stabilization Project
Green & Healthy Homes Initiative
Inquilinxs Unidxs por Justicia (Renters United for Justice)
Midwest Energy Efficiency Alliance
Minnesota Housing Partnership
National Housing Trust
Natural Resources Defense Council

May 14, 2020

Governor Tim Walz
130 State Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Dear Governor Walz:

We write to first express our deep appreciation to the Minnesota Department of Commerce (the “Department”) and the Minnesota Public Utilities Commission (the “Commission”) for their efforts to date in responding to the COVID-19 pandemic. On March 25, Chair Sieben and Commissioner Kelley issued a joint memo regarding responsive measures taken by Minnesota utilities in light of COVID-19, requesting that utilities share information on actions being taken to protect their customers and file these responses in Docket No. E,G999/CI-20-375.¹ Over 150 Minnesota utilities have responded to date. On April 14, the Commission issued a Notice of Reporting, Comment Period, and Procedure establishing new reporting periods within the 20-375 docket for existing data collected by rate-regulated utilities related to Service Quality reports and Cold Weather Rule reporting.² We support the reporting requirements set forth by the Commission, and strongly encourage that these data be publicly reported through the state of emergency and recovery period (e.g., 120 days following the end of the peacetime emergency). To the extent that any new actions are taken related to the below recommendations, we recommend that those actions be reported in the 20-375 docket as well.

While we recognize and appreciate the actions that have voluntarily been taken by individual utilities, as well as the additional methods currently being explored by the Commission, it is critical to ensure that all Minnesotans receive protections during this time. As the Department, the Commission, and other decision-makers in Minnesota explore potential actions during the COVID-19 crisis, we urge that the following steps be taken to protect utility customers during the crisis and the recovery period following the pandemic.

- 1. Enact a comprehensive, statewide moratorium on utility disconnections for water, electricity, and gas services during the declared state of emergency and the recovery period (e.g., 120 days following the end of the peacetime emergency) that applies to all utility structures, including municipal, investor-owned, and cooperative utilities.**

Any action taken related to a statewide moratorium on utility disconnections should include customers of delivered fuels services, such as propane and fuel oil. Importantly, these

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<https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?method=showPoup&documentId={00F41271-0000-C63F-9640-3E010A872003}&documentTitle=20203-161448-02>

2

<https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?method=showPoup&documentId={00BB7971-0000-CA13-B9EC-735C96FE7327}&documentTitle=20204-162074-01>

customers are not currently protected by the voluntary actions taken by electric and natural gas utilities to date and fall outside the purview of the 20-375 docket.

- 2. Direct all Minnesota utilities to prioritize immediate, safe, no-cost reconnection of currently disconnected energy and water customers. Where necessary, also establish emergency water distribution stations for households waiting for their water to be turned back on.**

- 3. Immediately expand access to utility and state energy assistance funds during the declared state of emergency and the recovery period by increasing funding and extending the policy changes recently implemented by the Department of Commerce.**

On April 21, the Department of Commerce announced adjusted program policies for Minnesota's Energy Assistance program, extending the application deadline to July 1, doubling the annual crisis benefit maximum, allowing crisis benefits to pay a household's past due bill (even without a disconnection notice), and only requiring one month of eligible income (instead of three).³ We applaud the Department for making these modifications, and urge that the modifications be extended as applicable for the duration of the post-pandemic recovery. Additionally, the Department should allow for cross-eligibility (i.e., if an individual or household is eligible for Medicaid or the Supplemental Nutrition Assistance Program, or SNAP, they should also immediately qualify for household energy assistance) and enable online enrollment for greater accessibility for customers in need.

Expanded access to energy assistance can also be achieved by ensuring Minnesotans get a fair share of new federal assistance funds, such as new Low-Income Home Energy Assistance Program (LIHEAP) funds. We recommend that the Governor work closely with the Minnesota Department of Commerce, other state agencies, local leaders, advocates, and under-resourced communities to ensure that LIHEAP funds are distributed fairly and rapidly. In addition, we recommend that the Department, utilities, and all stakeholders work to publicize and share information on how individuals can apply for LIHEAP assistance.

- 4. Direct all Minnesota utilities to expand bill payment assistance and set up arrearage forgiveness to reduce energy and water burdens for income-qualified households and households experiencing hardships from COVID-19 during the crisis and the recovery period. If neither are sufficient, offer long-term payment plans.** Any payment plan should not require a large initial payment to start the plan, must be offered for a longer-than-usual term, and must consider the individual customer's actual ability to repay. We recommend terms of 18 months generally, and 24 months for financially distressed customers, due to the significant financial and health impacts of the COVID-19 pandemic. Payment agreements should include "reasonableness" provisions (i.e., the customer's repayment term is based on income and expenses as well as ability to pay), coupled with

³ <https://mn.gov/commerce/media/news/#/detail/appId/2/id/429297>

affordable payments on current bills. Payment plans should also be renegotiable, as people who need payment plans often have frequently fluctuating income.

5. **Direct all Minnesota utilities to waive all late fees, interest, and penalties due to non-payment of bills for income-qualified households and households experiencing hardships from COVID-19 during the declared state of emergency and the recovery period.** Utilities should also waive convenience fees for online payments.
6. **Direct all Minnesota utilities to suspend all negative credit reporting and, where applicable, debt collection during the state of emergency and the recovery period for income-qualified households and households experiencing hardships from COVID-19.**
7. **Request that the Commission consider special rates and/or credits for income-qualified households to ease energy and water cost burdens during and after the moratorium on disconnection for residential customers and for small businesses required to close during the declared state of emergency and the recovery period.** We recommend that the Commission consider implementing rates to enhance the affordability of utility services, such as percentage-of-income payment plans (PIPP). The National Consumer Law Center recently released a report discussing PIPP and other program designs to promote energy affordability.⁴ In California, community choice aggregator Peninsula Clean Energy granted a \$100 customer credit to customers on income-eligible rate plans to provide bill relief in response to COVID-19.⁵ Minnesota utilities could similarly apply credits and/or special rates to customers who are participating in (or eligible for) income-eligible payment assistance programs.
8. **Request that the Office of the Attorney General issue a memorandum regarding the jurisdiction and powers of the Commission during the peacetime emergency.** In the state of Mississippi, the Attorney General's office issued a statement that the Public Service Commission's order suspending disconnections for water, sewer, gas, and electric utility services was consistent with the governor's declaration of a state of emergency, and under Mississippi law could be applied to utilities and services not ordinarily within the PSC's regulatory jurisdiction.⁶
9. **Direct the Department or Commission to hold virtual energy efficiency stakeholder processes now to discuss creating continuity plans for energy assistance, energy efficiency programs, and the energy workforce during the crisis. Ensure that participation is inclusive and open to all interested parties.** While energy assistance provides much-needed immediate support to many individuals and families in Minnesota, it

⁴ https://www.nclc.org/images/pdf/special_projects/covid-19/WP_Program_Design_Template.pdf

⁵ <https://www.peninsulacleanenergy.com/wp-content/uploads/2020/03/Bill-Relief-Announcement-March-2020.pdf>

⁶

https://www.psc.state.ms.us/InSiteConnect/InSiteView.aspx?model=INSITE_CONNECT&queue=CTS_ARCHIV_EQ&docid=648804

is important that customers also have access to energy efficiency services when service providers can safely provide them. Energy efficiency is a critical investment to reduce household utility bills over the long-term, and also supports reliability by reducing demand on the system. Further, energy efficiency services also provide local jobs to Minnesotans. We believe that the Department and/or Commission should hold inclusive and accessible virtual stakeholder meetings to discuss continuity planning for energy efficiency programs and workers. These meetings could also include discussions related to future workforce planning as a result of utility and state actions related to COVID-19.

10. Supply funds for emergency environmental healthy housing repair and residential services for energy efficiency that remediate severe mold, lead, pest management, and temperature control issues that should be addressed to reduce the prevalence of respiratory illness that can exacerbate COVID-19 outcomes. These funds could be administered through the Minnesota Department of Health and disbursed to local governments.

11. Direct all Minnesota utilities to ensure there are clear and accessible communications, available in multiple languages, to all utility customers about new policies. Utilities should proactively and publicly communicate about all new policies in response to COVID-19, especially those that comply with the above protections for under-resourced customers. In addition, utilities should provide targeted outreach and engagement to ensure that those living with disabilities and/or language and literacy barriers have equal access to energy assistance, energy efficiency programs, and other services.

We appreciate your consideration of these recommendations, and again thank the Department and the Commission for their commitment to ensuring that all Minnesotans receive continued access to safe, reliable, and affordable utility service during this unprecedented time.

Sincerely,

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