

October 2, 2020

Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 20200219

Dear Chairman Clark, Commissioners. Brown, Fay, Graham and Polmann:

Southern Alliance for Clean Energy (“SACE”) files this comment letter in support of initiating emergency rulemaking to halt disconnections. Additionally, any arrearage management plan in which low-income customers commit to a payment schedule should be coupled with a commitment by the utility to enroll interested customers into a meaningful low-income energy efficiency program to help families cut energy waste and stabilize bills over the long term.

Introduction

The Covid-19 pandemic has stricken over 700,000 people in Florida, with over 14,000 deaths.¹ The economic fallout of the Covid-19 pandemic continues to wreak havoc on Floridians. For instance, the hospitality industry, a foundation of the state’s economy, has lost a fifth of its workforce due to the pandemic.² With reduced or lost work hours, families cannot pay their power bills, especially those that were already struggling with a high energy burden. For millions of Floridians living on limited incomes, paying the monthly energy bill presents a significant financial challenge in the best of times. With hundreds of thousands out of work, and unemployment benefits at an end, the situation has become desperate for many families.

According to the information presented at the Commission’s July 29, 2020 workshop, approximately 600,000 investor-owned utility customers are at risk of disconnections.³ Duke Energy has approximately 150,000 families behind on their bills.⁴ FPL has approximately 258,465 families who fallen behind on bills,⁵ while Gulf Power and

¹ Florida Department of Health, at <https://floridahealthcovid19.gov/#latest-stats>

² Department of Economic Opportunity, at <https://floridajobs.org/workforce-statistics/workforce-statistics-data-releases/latest-statistics>

³ Florida Public Service Commission at http://psc-fl.granicus.com/MediaPlayer.php?view_id=2&clip_id=3212

⁴ Duke Energy Florida, at <http://www.psc.state.fl.us/Files/PDF/Utilities/CovidWorkshop/DEF.pdf>

⁵ Florida Power and Light Co., at <http://www.psc.state.fl.us/Files/PDF/Utilities/CovidWorkshop/FPL.pdf>

Tampa Electric have approximately 63,484⁶ and about 60,000⁷ families respectively.

Several of the utilities have started disconnecting power to families that are behind on their bills.⁸ Electricity is an essential part of life in today's society. Without power, many homes will not be able to maintain safe indoor temperatures, or run basic appliances to keep food fresh or the lights on – thereby increasing risks to health and safety during an ongoing pandemic.

Emergency rulemaking

The facts outlined in the petition (“Petition”) filed by the League of United Latin American Citizens (“LULAC”) and Zoraida Santana, and Jesse Moody in this docket provide a compelling basis for emergency rulemaking for a 90-day moratorium on utility disconnection. Florida Administrative Code provides the agency the authority to promulgate an emergency rule when the agency finds that there is an “immediate danger to the health, safety or welfare.” Section 120.54(4), Fla. Stat. The facts provided by petitioners (Petition, p.3) are most certainly emblematic of the conditions being faced by so many other families facing disconnection. This includes people who have lost jobs and cannot find employment, or are in an at-risk population to the effects of Covid-19, and have not found safe employment. Like Ms. Santana and Mr. Moody, other customers have reached out to aid agencies but are unable to obtain adequate resources to meet the scale of the delinquency, nor are utility arrearage plans adequately designed to manage their arrearages and keep the power on. While granting the Petition may not remedy the underlying conditions of Covid-19 infection rates and the consequent economic fallout, it will buy these customers time to find solutions, and provide the utilities, and the Commission much-needed space to develop longer-term policy solutions, in particular on how to address energy burden.

Energy burden

For millions of Floridians living on limited income, paying the monthly energy bill presents a significant financial challenge in the best of times. This challenge can lead to difficult tradeoffs against other essential needs. For those with low- and moderate-income, energy costs represent a higher percentage of household income than for those with higher income, resulting in energy burdens⁹ that are frequently two-to-three times higher than for higher income households.¹⁰ This Commission has identified addressing the financial burden of electricity costs for low- and moderate-income customers as a critical policy priority in previous Florida Energy Efficiency and Conservation Act

⁶ *Id.*

⁷ Tampa Electric Company at <http://www.psc.state.fl.us/Files/PDF/Utilities/CovidWorkshop/TECO.pdf>

⁸ JEA, OUC, Duke Energy Florida, and Tampa Electric Co.

⁹ A household's energy burden is the percentage of income that goes towards energy costs.

¹⁰ Energy burden is the percentage of household income that is spent on energy bills. To calculate median energy burden, we calculated energy burden for all households and then took the median. This value differs from the median energy burden that is calculated using median annual utility spending and income.

(“FEECA”) goal setting proceedings.¹¹ In the near-term, the most immediate way to address the financial burden on these customers and the public health and welfare crisis related to disconnections is to initiate emergency rulemaking to halt disconnections. Coupled with halting disconnections, the Commission is well within its authority to implement more robust solutions to the high energy burden faced by so many hard working Florida families.

Energy efficiency

It is well established that energy efficiency reduces energy consumption and lowers monthly electric bills, thereby freeing up money for customers that would otherwise be wasted. For customers who have struggled financially during the pandemic, energy efficiency can help save money at a crucial time when they must begin repaying past due electric bills or risk having their power cut off.

We strongly encourage the Commission to signal its support for utilities expanding prudent investments in currently approved low-income programs, and to indicate that the filing of modifications to expand measure offerings and delivery channels for those programs¹² will be viewed favorably by the Commission. Florida’s utility companies know exactly which customers have overdue balances, making it possible to design and deploy efficiency program services directly to those customers. To ensure customers know about and benefit from participating in energy efficiency programs, we encourage FEECA regulated utilities¹³ to inform and automatically enroll all customers who are interested in participation in free energy efficiency programs when they are setting up repayment plans, while also reaching back out to those who have already done so.

DTE Energy in Michigan has implemented low-income program changes to offer energy efficiency services to payment-troubled customers with model elements that could be adapted in Florida to maximize impact for participating customers (attached). Notably, DTE’s program serves both single family and multi-family residents using a range of common energy efficiency measures that are proven to lower bills.

For families with high energy burdens and substantial accumulated unpaid bills, deep energy efficiency savings will provide the most benefit, such as offered through Duke Energy Florida’s Low Income Weatherization Assistance program and with the expanded measures now available in its Neighborhood Energy Saver program. Reduced energy waste means additional money that can help families pay down outstanding energy bills

¹¹ Florida Public Service Commission, Order No. PSC-14-0696-FOF-EU, December 16, 2014.

¹² Such plans should include proposed modified program budgets, savings goals, and customer targeting strategies – with a particular emphasis placed on customers who are at risk of disconnection, such as those who have accrued unpaid electric bills as well as those who are elderly, disabled, have high energy burdens, and who have lost their employment as a result of the pandemic.

¹³ The Florida Energy Efficiency and Conservation Act regulated utilities are FPL, Gulf, Duke Energy Florida, Tampa Electric Co., OUC, JEA, and FPUC.

and afford other basic household necessities. Participation in efficiency programs could even be matched with partial debt forgiveness.¹⁴ Ultimately, these steps could make enough of a difference for customers to successfully complete their repayment plans and prevent uncollectible bills from being passed on to the general body of ratepayers. Doing so could also prevent disconnections and the attendant consequences that can result, like damaged credit scores, health risks, and eviction.

In addition to the recommendations above, the Commission also has a unique opportunity to address the economic screening practices that have frustrated commissioners in setting meaningful energy saving goals as part of the FEECA goal setting process. The Commission has established a rulemaking docket to revise its goal setting rule – and is scheduled to issue a Notice of Rule Development on October 9, 2020. SACE, LULAC, Southeast Sustainability Directors Network, Ceres, elected officials, and *well over 1,000 customers* have filed comments in support of the Commission addressing head-on the decades-old economic screening practices that are keeping energy savings goals low, and denying meaningful energy efficiency programs to Florida’s hard working families.

Lastly, as your staff acknowledges, the impacts of the COVID-19 pandemic on utility customers are still evolving. Even if the Commission decides to deny the Petition at hand in this docket, that does not foreclose the Commission from initiating emergency rulemaking on its own to issue an moratorium on disconnections, and to address energy burden as suggested above.

Conclusion

Therefore, SACE respectfully requests that the Commission grant the Petition, or initiate rulemaking on its own to halt disconnections as an immediate relief measure; that the Commission strongly encourage utilities to couple arrearage management plans with low-income energy efficiency programs as highlighted above; and that the Commission finally address its reliance on outdated economic screening practices, in Docket No. 20200181, that have led to weak energy savings goals that do not serve the state, or its customers – especially our vulnerable families.

Sincerely,

George Cavros
Southern Alliance for Clean Energy,
Florida Energy Policy Attorney

¹⁴ See Vote Solar-CLEO comments, Docket No. 20200151, June 18, 2020.

ATTACHMENT

Attachment C: Low-Income Program Changes

The DTE Energy Waste Reduction (EWR) group will coordinate with the DTE Revenue Management and Protection (RM&P) group to provide energy efficiency services to payment troubled customers participating in the Low-Income Self-Sufficiency Plan (LSP) and Shutoff Protection Plan (SPP). The intent of this initiative is to help payment troubled customers better manage their energy burden through the coordinated combination of low-income payment plans and EWR services. The program will target customers beginning in February 2020 until December 2021 and will aim to provide services to 500 LSP/SPP customers annually. Approximately 25% of total EEA spend will be used toward the Payment Troubled Customers EWR Initiative.

Initiative Goals:

- Understand the impacts of EEA and Multifamily EWR programs on customer energy consumption.
- Understand the impacts of EEA and Multifamily EWR programs to enable Michigan Energy Assistance Program (MEAP) dollars to reach more customers.
- Understand the impacts of EEA and Multifamily EWR programs to reduce customer reliance on SER utility assistance.
- Understand the impacts of EEA and Multifamily EWR programs on customer accounts remaining active in the 12 months following Low-Income Self-Sufficiency Plan (LSP) and Shutoff Protection Plan (SPP) participation.
- Understand the impacts of EEA and Multifamily EWR programs to increase the % of on-time payments following LSP and SPP participation.
- Understand the impacts of EEA and Multifamily EWR programs on % of customer monthly payment defaults on the SPP.

LSP Customer Identification Process:

For LSP customers, the Company will target new LSP customers, existing LSP customers with trending high usage and prospective LSP customers who are income qualified but are over energy use requirements. The Company reserves the right to make changes to the below criteria at any time to ensure the appropriate customers are targeted. All changes will be communicated to parties during the quarterly check-ins.

- New LSP Customers
 - Customer contacts a participating LSP intake organization
 - Customer receives SER
 - Enrolls directly through MIBridges.com, via CAA, or at an on-site CAD event
 - SER is applied to past due balance
 - For customers with <\$3k in arrears, enroll in DTE Low-Income Self Sufficiency Plan (LSP)

- DTE RM&P group provides DTE EWR team(s) with a weekly list of new LSP customers for enrollment in either EEA (single-family) or the DTE multi-family energy assistance program. Customer list data requirements:
 - Customer name
 - Account number
 - Address
 - Phone Number(s)
 - Email address
- Depending on control group design, not everyone on the outreach list may receive information on EWR programs.
- Existing LSP Customers
 - Criteria
 - 12 months or more remaining on LSP
 - RM&P group will aim to identify customers on LSP who have energy usage trending above initial intake levels
 - Gas: \$179, Electric: \$133, Dual: \$313
 - DTE RM&P group provides DTE EWR team(s) with a list of existing LSP customers for enrollment in either EEA (single-family) or the DTE multi-family energy assistance program. Customer list data requirements:
 - Customer name
 - Account number
 - Address
 - Phone Number(s)
 - Email address
 - Depending on control group design, not everyone on the outreach list may receive information on EWR programs.
- Prospective LSP Customers
 - Criteria:
 - Meet LSP arrears requirement
 - Meet LSP assistance requirement (SER)
 - Up to 25% over LSP consumption requirement
 - FPL less than or equal to 150%
 - DTE RM&P group provides DTE EEA team with a list of prospective LSP customers for enrollment in either EEA (single-family) or the DTE multi-family energy assistance program. Customer list data requirements:
 - Customer name
 - Account number
 - Address
 - Phone Number(s)
 - Email address
 - Depending on control group design, not everyone on the outreach list may receive information on EWR programs.

SPP Customer Identification Process:

For SPP customers, the Company will target existing SPP customers who meet criteria determined by the RM&P group for a customer in need of assistance. The Company reserves the right to make changes to the below criteria at any time to ensure appropriate customers are targeted. All changes will be communicated to parties during the quarterly check-ins.

- Existing SPP Customers
 - Criteria:
 - Arrears \leq 50% of Monthly Plan Amount
 - Budget Billing \leq \$313 (dual commodity)
 - No assistance (State or Federal)
 - FPL between 151-200%
- DTE RM&P group provides DTE EWR team(s) with a list of targeted SPP customers for enrollment in either EEA (single-family) or the DTE multi-family energy assistance program. Customer list data requirements:
 - Customer name
 - Account number
 - Address
 - Phone Number(s)
 - Email address
- Depending on control group design, not everyone on the outreach list may receive information on EWR programs.

Potential Outreach and Enrollment Channels:

- Weekly LSP/SPP lists are provided to specific partner organizations, based on customer type and location, to contact/qualify customers and schedule initial energy audit.
 - Participating intake organizations conduct customer outreach via various communication channels, as deemed necessary. These may include, but are not limited to:
 - Email
 - Phone call
 - Text message
 - Direct mail
 - Door hangers
- LSP/SPP call center proactively refers inbound phone calls from LSP/SPP customers to participating EEA and multi-family intake organizations, based on customer location.
- LSP/SPP call center provides outbound phone calls to promote EWR programs.
- Customer recruitment at Customer Assistance Day (CAD) events.

EWR Program Services

- Single-family customers receive home weatherization services under EEA, which may include, but is not limited to:

- Direct install measures, as appropriate
- Insulation (encouraged, if applicable)
- Air sealing (encouraged, if applicable)
- Heating system test and tune or replacement (encouraged, if applicable)
- New water heater (encouraged, if applicable)
- New refrigerator (encouraged, if applicable)
- Window repair and/or replacement (encouraged, if applicable)
- Programmable thermostat (if applicable)
- Other Energy Efficient measures as deemed appropriate
- Multi-family customers (identified by address) receive weatherization services under the Low-Income Multi-Family program, which may include, but is not limited to:
 - Direct install measures, as appropriate based on fuel type
 - Programmable thermostat, if applicable, based on fuel type
 - New water heater (in-unit only, based on fuel type and if fuel in tenant name)
 - New refrigerator (based on fuel type and if fuel in tenant name)
 - Other Energy Efficient measures as deemed appropriate
- Customers will be eligible to receive money through the DTE Health and Safety pilot, as appropriate and if funds are available.

Reporting:

1. Data reported during the quarterly meetings shall include, but is not limited to, the following for single-family and multi-family households served:
 - # of payment troubled customers served:
 - through LSP
 - through SPP
 - \$ spend on payment troubled customers
 - through LSP
 - through SPP
 - Average arrears for payment troubled customers at time EWR services rendered
 - Average energy consumption/usage per payment troubled customer at time EWR services rendered
 - Average Electric Usage per customer
 - Average Gas Usage per customer
 - Arrears balance payment, month over month
 - Types of EWR services provided
 - Total number of EWR services provided
 - Average # of measures per customer
 - Deemed average electric savings per customer
 - Deemed average gas savings per customer
 - Average change in energy consumption/usage per customer after EWR services are rendered
 - # of walkaways; and whether they were referred to Health and Safety pilot
 - Late payment data

- Number of customers kicked off of BudgetWise (once the customer has transitioned to BudgetWise billing)

Evaluation:

- The Company and intervenors will work with a 3^d party evaluator to determine evaluation needs and provide an overview of the evaluation plan at the first quarterly meeting. The Company reserves the ability for final decision made to the evaluation needs.
- The Company will file an interim evaluation report in their 2020 reconciliation filing; a Final evaluation report will be filed with the Michigan Public Service Commission in a reconciliation filing.
- The Company shall seek commission approval to continue collecting data on the Payment Troubled Customers EWR initiative in its 2022/2023 EWR plan. This is contingent upon the Company having an approved 2022/2023 EWR plan. The Company shall also seek commission approval to continue the Payment Troubled Customers EWR initiative, or some version thereof, in its 2022/2023 EWR plan. This is contingent upon the Company having an approved 2022/2023 EWR plan.