

## **NORTH CAROLINA UTILITIES COMMISSION**

### **REPORT ON MANDATORY COVID-19 STATE OF EMERGENCY MONTHLY REPORTING FOR THE MONTH ENDED April 30, 2021 Docket No. M-100, Sub 158**

**Monday, June 28, 2021**

On July 29, 2020, the North Carolina Utilities Commission (Commission) issued an order lifting the disconnection moratorium it had placed on jurisdictional utilities regulated by the Commission at the outset of the COVID-19 crisis. In addition to lifting the moratorium, the order also set minimum requirements for the establishment of repayment plans for arrearages that had occurred during the moratorium and required utilities to submit monthly monitoring reports on a range of metrics.

On September 9, 2020, the Commission issued an order finalizing the COVID-19 State of Emergency Monthly Reporting Form and excluding resellers and Class C water and wastewater public utilities from the mandatory reporting requirement.

On February 23, 2021, the Commission issued an order suspending disconnections and providing for extended special repayment plans for certain vulnerable residential customers and requiring door hanger notices. This order is applicable to the seven large electricity, natural gas, and water utilities. The order ceased customer disconnections through March 31, 2021, for nonpayment of bills for residential customers who household is eligible to receive assistance (whether funds are then available or not) from LIEAP, CIP, or the North Carolina Housing Opportunities and Prevention of Evictions (NC HOPE) Program. The order required through March 31, 2021, service disconnect door-hangers be placed at all residences within 24 to 36 hours prior to disconnection, advising residential customers of their options to avoid disconnection. The order provided for extended special repayment plans (no fewer than 18 months) for residential customers whose household is eligible to receive assistance (whether funds are then available or not) from LIEAP, CIP, or the North Carolina Housing Opportunities and Prevention of Evictions (NC HOPE) Program.

On March 23, 2021, the Commission issued an order extending the door hanger notice requirement which is applicable to the seven large electricity, natural gas, and water utilities. The order extends to June 30, 2021, the requirement that DEC, DEP, DENC, PNG, PSNC, CWS, and Aqua to place a service disconnect door hanger at all residences within 24 to 36 hours prior to disconnection and advises residential customers of their options to avoid disconnection.

On April 5, 2021, the Commission issued an order reinstating the limited residential disconnection moratorium. The order is applicable to seven large electricity, natural gas, and water utilities and reinstates the limited residential disconnection moratorium effective immediately through June 30, 2021. The order requires the Public Staff to file a monthly report regarding the total complaints by utility and requires DEC and DEP to file comments, by no later than April 20, 2021. The order solicits comments, to be filed by no later than June 15, 2021 responsive to the comments filed by DEC and DEP, and also regarding the progress of the public health and economic recovery and whether further extension of the Limited Residential Disconnection Moratorium is necessary.

For the period April 1, 2021, through April 30, 2021, 38 utilities submitted reports (see Appendix A for a full list of utilities submitting reports). Of the 38 utilities that reported, five are

electricity providers, three are natural gas providers, and 30 are providers of water and/or wastewater services.

### Accounts Past Due

The reporting jurisdictional utilities reported that, as of April 30, 2021, an aggregate of \$185,315,060 in residential and nonresidential customer arrearages were 30 or more days past due (\$16,862,429 more than the amount of arrears reported as of March 31, 2021). Of the reported amount this month, approximately 80.8% or \$149,774,925 is attributable to the three largest investor-owned electric utilities - Duke Energy Carolinas, LLC (DEC), Duke Energy Progress, LLC (DEP, and collectively with DEC, Duke Energy), and Virginia Electric and Power Company d/b/a Dominion Energy North Carolina. Table 1 shows a summary of arrearages and past due accounts for each type of utility service.

Utility Service Provided	Number of Utilities Responding	Active Customer Accounts	Number of Past Due Accounts	Percent Past Due	Total Amount Past Due <sup>1</sup>
Electricity	5	3,916,687	476,395	12.2%	\$149,941,417
Natural Gas	3	1,412,548	151,562	10.7%	\$33,581,668
Water and Wastewater	30	192,311	11,616	6.0%	\$1,791,976

As of April 30, 2021, electric utilities reported that 476,395 (12.2%) of their accounts were past due, and natural gas utilities reported that 151,562 (10.7%) of their accounts were past due. As of April 30, 2021, utilities providing water and/or wastewater services reported that 11,616 (6.0%) of their accounts were past due.

### Disconnections, Reconnections, and Payment Plans

As of April 30, 2021, utilities reported carrying out 1,489 disconnections<sup>2</sup> during the month of April. Utilities reported that 167,208 residential accounts were on payment plans with the majority of these being reported by DEC and DEP.

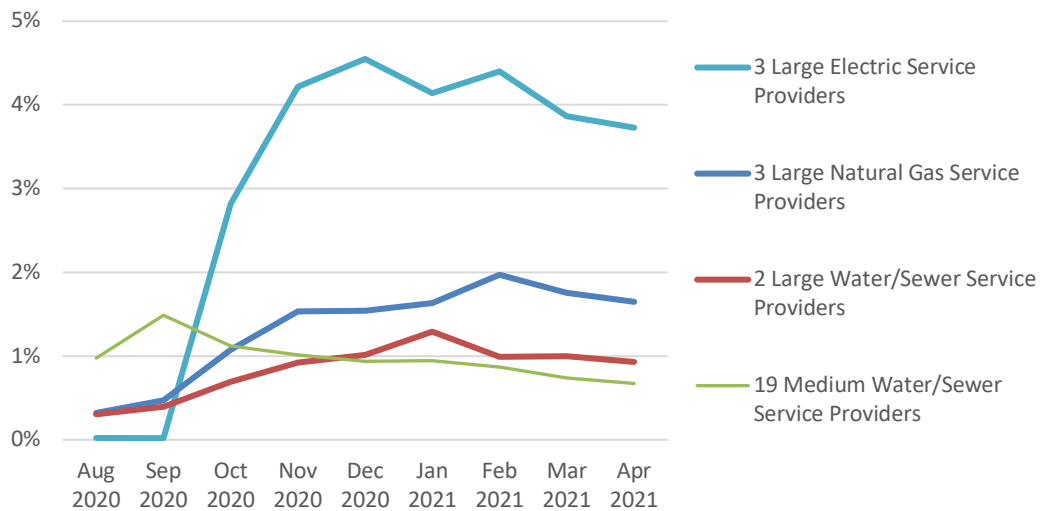
### Trends and Future Outlook

As of April 30, 2021, many customers are behind on their bills, but that trend has declined on average over time with most utilities experiencing 5% - 12% of their overall accounts past due. Average arrearages vary in trend over time based on industry and size. Average arrearages on past due accounts at the end of the month remained the same on average for the natural gas industry and the electric industry. Average arrears on past due accounts for large water and sewer service providers increased on average in April 2021.

<sup>1</sup> The survey form defined past due amounts as unpaid balances 30 days and older.

<sup>2</sup> This total does not include accounts that were disconnected and reconnected within 24 hours.

## Percentage of Accounts on Repayment Plans at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

Repayment plan enrollment increased from October 2020 through February 2021 for the electric service providers and natural gas service providers but decreased from February 2021 to April 2021. For the large water and sewer service providers, repayment plan enrollment has decreased from January 2021 to April 2021. The percentage of customers enrolling remains low. There are more enrolled in electric than in the other sectors, but in April 2021 less than 4% of electric customers are enrolled. The average balance on repayments plans has decreased from October 2020 to April 2021 for electric providers. In April 2021, average balance on repayments for natural gas providers decreased for the first time since November 2020. The average balance on repayments for water and sewer service providers also decreased in April.

Disconnections were nearly non-existent in August 2020 and September 2020, increasing a little in October 2020 and more drastically in November 2020. From November 2020 through April 2021, the percentage of accounts disconnected for non-payment has decreased on average for the electric and natural gas utility providers. The large water and sewer providers have seen a sharp decrease in disconnections from December 2020 to February 2021, but the disconnections increased from February 2021 to March 2021. Disconnections for non-payment decreased again in April 2021. The majority of disconnections ended up being reconnected (and most within 24 hours). The net number of customers disconnected and not reconnected from March 2021 to April 2021 decreased on average for the electric providers but increased on average for the large natural gas and water and sewer groups. (These trends can be seen on the graphs shown in Appendix B that were produced by the UNC School of Government - Environmental Finance Center.)

### Additional Information

This report, as well as the raw data reported by the jurisdictional utilities, will be filed in NCUC Docket No. M-100, Sub 158, which is publicly available on the Commission's website:

[www.ncuc.net](http://www.ncuc.net). Please contact Sam Ingalls at [singalls@ncuc.net](mailto:singalls@ncuc.net) if you have any questions or if you would like to be provided with any additional information.

## Appendix A

	<b>Utility Service Provider Name</b>	<b>Utility Service</b>
<b>1</b>	904 Georgetown Treatment Plant, LLC	Water and/or Wastewater
<b>2</b>	A & D Water Service, Inc.	Water and/or Wastewater
<b>3</b>	Albemarle Plantation Utility Company, Inc.	Water and/or Wastewater
<b>4</b>	Aqua North Carolina, Inc.	Water and/or Wastewater
<b>5</b>	Bay Tree Utility Company	Water and/or Wastewater
<b>6</b>	Beacons Reach Master Association, Inc.	Water and/or Wastewater
<b>7</b>	Carolina Water Service, Inc. of North Carolina	Water and/or Wastewater
<b>8</b>	Corriher Water Service	Water and/or Wastewater
<b>9</b>	Cross-State Development Corporation	Water and/or Wastewater
<b>10</b>	Dominion Energy North Carolina	Electric
<b>11</b>	Duke Energy Carolinas, LLC	Electric
<b>12</b>	Duke Energy Progress, LLC	Electric
<b>13</b>	Enviro-Tech of North Carolina, Inc.	Water and/or Wastewater
<b>14</b>	Ferrington Utilities	Water and/or Wastewater
<b>15</b>	Frontier Natural Gas Company	Natural Gas
<b>16</b>	Gensinger; John	Water and/or Wastewater
<b>17</b>	GGCC Utility, Inc.	Water and/or Wastewater
<b>18</b>	Ginguite Woods Water Reclamation Association, Inc.	Water and/or Wastewater
<b>19</b>	HH Water, LLC	Water and/or Wastewater
<b>20</b>	Harrco Utility Corporation	Water and/or Wastewater
<b>21</b>	JL Golf Management, LLC	Water and/or Wastewater
<b>22</b>	KRJ, Inc.	Water and/or Wastewater
<b>23</b>	Lake Junaluska Assembly, Inc.	Water and/or Wastewater
<b>24</b>	Meadowsland Development, LLC	Water and/or Wastewater
<b>25</b>	MECO Utilities, Inc.	Water and/or Wastewater
<b>26</b>	New River Light and Power Company	Electric
<b>27</b>	Old North State Water Company, LLC	Water and/or Wastewater
<b>28</b>	Old North Utility Services, Inc.	Water and/or Wastewater
<b>29</b>	Piedmont Natural Gas Company, Inc.	Natural Gas
<b>30</b>	Pluris Hampstead, LLC	Water and/or Wastewater
<b>31</b>	Pluris Webb Creek, LLC	Water and/or Wastewater
<b>32</b>	Pluris, LLC	Water and/or Wastewater
<b>33</b>	Public Service Company of North Carolina, Inc.	Natural Gas
<b>34</b>	Sandler Utilities At Mill Run LLC	Water and/or Wastewater
<b>35</b>	Scientific Water and Sewerage Corporation	Water and/or Wastewater
<b>36</b>	Total Environmental Solutions, Inc	Water and/or Wastewater
<b>37</b>	Water Quality Utilities, Inc.	Water and/or Wastewater
<b>38</b>	Western Carolina University	Electric

## **Appendix B**

The Impact of COVID 19 on Commission Regulated Utilities

# The Impact of COVID 19 on Commission Regulated Utilities

June 28, 2021



# SUMMARY OF NCUC COVID-19 RESPONSE

- **March 10, 2020:** Governor Cooper issues Executive Order (EO) No. 116 declaring state of emergency to coordinate response and protective actions to prevent the spread of COVID-19
- **March 19, 2020:** NCUC issues Order Suspending Utility Disconnections for Non-Payment, Allowing Reconnection, and Waiving Certain Fees
- **March 31, 2020:** Governor Cooper issues EO No. 124 prohibiting utilities – including electric, gas, water and wastewater services – from disconnecting customers unable to pay during the COVID-19 pandemic and from collecting fees, penalties, or interest for late payments. EO No. 124 also required public utilities to report implementation information weekly to the Commission.
- **May 30, 2020:** Governor Cooper issues EO No. 142 extending the disconnect moratorium until 11:59 pm on July 29, 2020, and required public utilities to continue to report implementation information to the Commission, now on a monthly basis.
- **July 29, 2020:** NCUC issues Order Lifting Disconnection Moratorium and Allowing Collection of Arrearages Pursuant to Special Repayment Plans in Docket No. M-100, Sub 158; EO No. 124 expires
  - Resumes customer disconnections beginning on September 1, 2020, for bills mailed after September 1<sup>st</sup> and pursuant to existing notice requirements
  - Late fee moratorium remains in effect “through the end of the State of Emergency or until further order of the Commission”
  - Allows collection of arrearages pursuant to repayment plans (12 months unless a customer agrees to fewer)
  - Encourages leniency during the state of emergency
- **September 9, 2020:** NCUC finalizes COVID-19 State of Emergency Monthly Reporting Form, which all jurisdictional electric, natural gas, water, and wastewater public utilities, excluding resellers and Class C water and wastewater public utilities, must submit to the Commission on a monthly basis



# SUMMARY OF NCUC COVID-19 RESPONSE

- **On February 23, 2021:** NCUC issues Order Suspending Disconnections and Providing for Extended Special Repayment Plans for Certain Vulnerable Residential Customers and Requiring Door Hanger Notices in Docket No. M-100, Sub 158
  - Applicable to seven large electricity, natural gas, and water utilities
  - Ceases customer disconnections through March 31, 2021, for nonpayment of bills for residential customers who household is eligible to receive assistance (whether funds are then available or not) from LIEAP, CIP, or the North Carolina Housing Opportunities and Prevention of Evictions (NC HOPE) Program
  - Requires through March 31, 2020, service disconnect door-hangers be placed at all residences within 24 to 36 hours prior to disconnection, advising residential customers of their options to avoid disconnection
  - Provides for Extended Special Repayment Plans (no fewer than 18 months) for residential customers who household is eligible to receive assistance (whether funds are then available or not) from LIEAP, CIP, or the North Carolina Housing Opportunities and Prevention of Evictions (NC HOPE) Program
- **On March 23, 2021:** NCUC issues Order Extending Door Hanger Notice Requirement in Docket No. M-100, Sub 158
  - Applicable to seven large electricity, natural gas, and water utilities
  - Extends through June 30, 2021, the requirement that DEC, DEP, DENC, PNG, PSNC, CWS, and Aqua place a service disconnect door hanger at all residences within 24 to 36 hours prior to disconnection, advising residential customers of their options to avoid disconnection
- **On April 5, 2021:** NCUC issues Order Reinstating Limited Residential Disconnection Moratorium
  - Applicable to seven large electricity, natural gas, and water utilities
  - Reinstates the Limited Residential Disconnection Moratorium effective immediately through June 30, 2021
  - Requires the Public Staff to file a monthly report regarding the total complaints by utility
  - Requires DEC and DEP to file comments, by no later than April 20, 2021
  - Solicits comments, to be filed by no later than June 15, 2021, responsive to the comments filed by DEC and DEP, and also regarding the progress of the public health and economic recovery and whether further extension of the Limited Residential Disconnection Moratorium is necessary

# COVID-19 STATE OF EMERGENCY MONTHLY REPORTING TRENDS

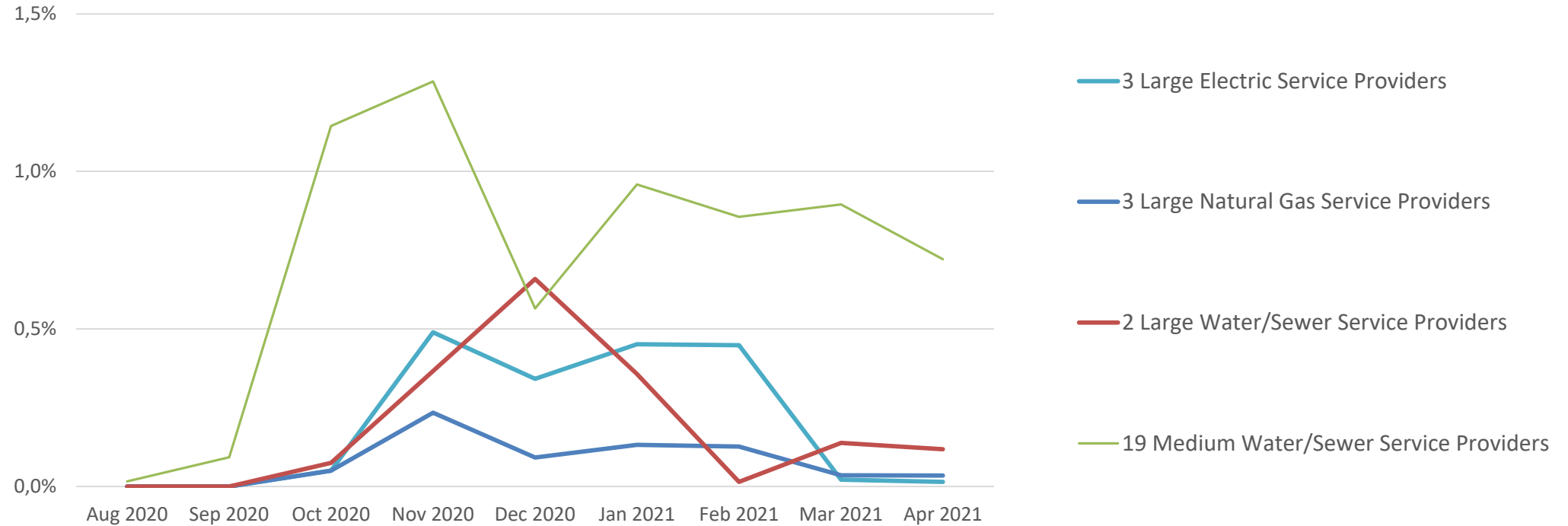
# IMPACTS OF COVID-19 ON REGULATED UTILITIES AND CUSTOMERS

- Many customers are behind on their bills, but that trend has declined on average over time with most utilities experiencing 5% - 12% of their overall accounts past due.
- The average arrears vary in trend over time based on industry and size.
- Average arrears on past due accounts at the end of the month increased on average for larger water and sewer providers and remained the same on average for the natural gas industry and electric industry in April 2021.
- Repayment plan enrollment increased from October 2020 through February 2021 for the electric service providers and natural gas service providers but decreased from February 2021 to April 2021. For the large water and sewer service providers, repayment plan enrollment has decreased from January 2021 to April 2021. The percentage of customers enrolling remains low. There are more enrolled in electric than in the other sectors, but in March 2021 less than 4% of electric customers are enrolled.
- The average balance on repayments plans has decreased from October 2020 to April 2021 for electric providers. In April 2021, average balance on repayments for natural gas providers decreased for the first time since November 2020. The average balance on repayments for water and sewer service providers also decreased in April.
- Disconnections were nearly non-existent in August 2020 and September 2020, increasing a little in October 2020 and more drastically in November 2020. From November 2020 through April 2021, the percentage of accounts disconnected for non-payment has decreased on average for the electric and natural gas utility providers. The large water and sewer providers saw a sharp decrease in disconnections from December 2020 to February 2021, but the disconnections increased from February 2021 to March 2021. In April 2021, disconnections for non-payment decreased once again for larger water and sewer providers. The majority of disconnections ended up being reconnected (and most within 24 hours).
- The net number of customers disconnected and not reconnected from March 2021 to April 2021 decreased on average for electric service providers but increased on average for the natural gas and large water and sewer groups.



# CUSTOMER DISCONNECTIONS

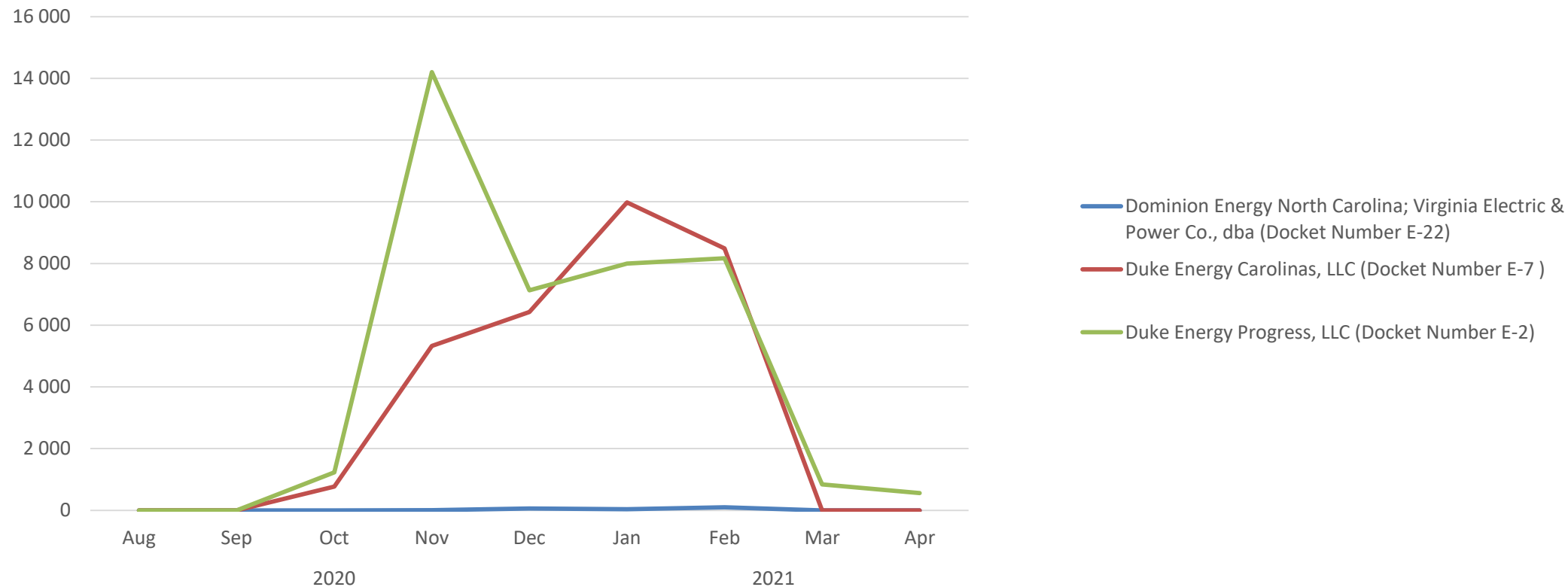
## Percentage of Accounts Disconnected for Non-Payment (including Reconnected Accounts)



Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

# DISCONNECTIONS BY ELECTRIC UTILITIES

## Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)



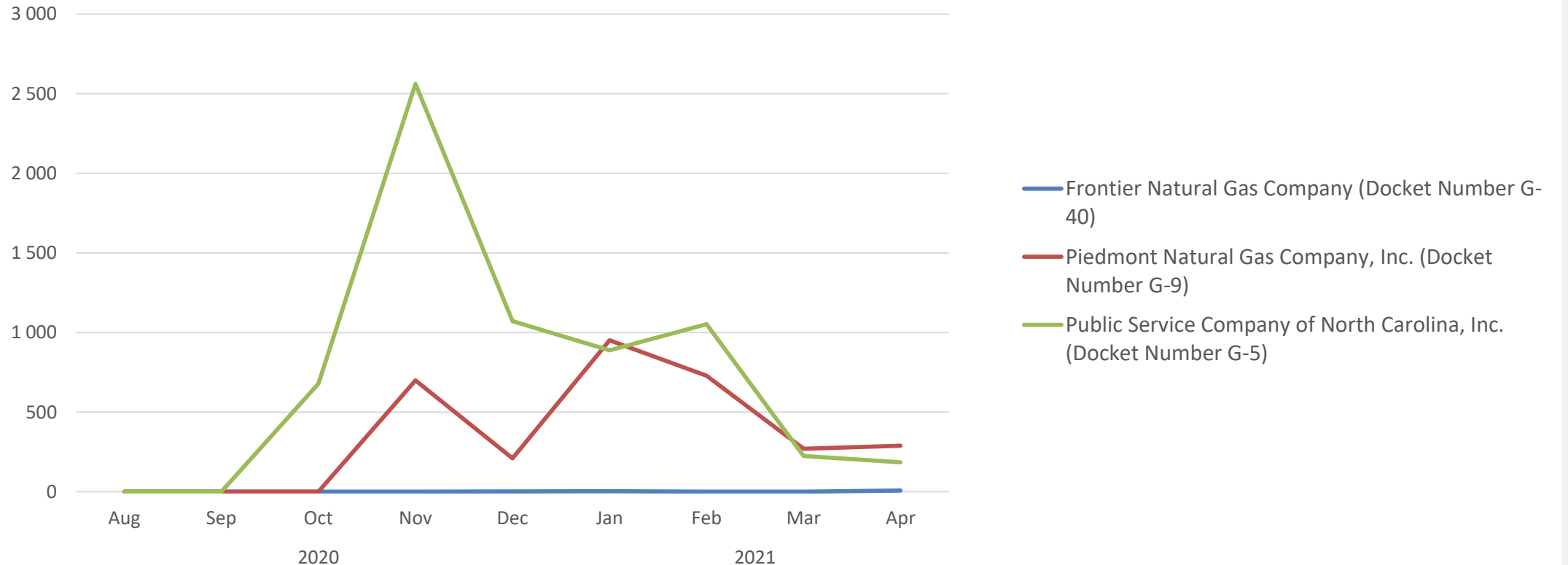
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

# DISCONNECTIONS BY NATURAL GAS UTILITIES





## Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)

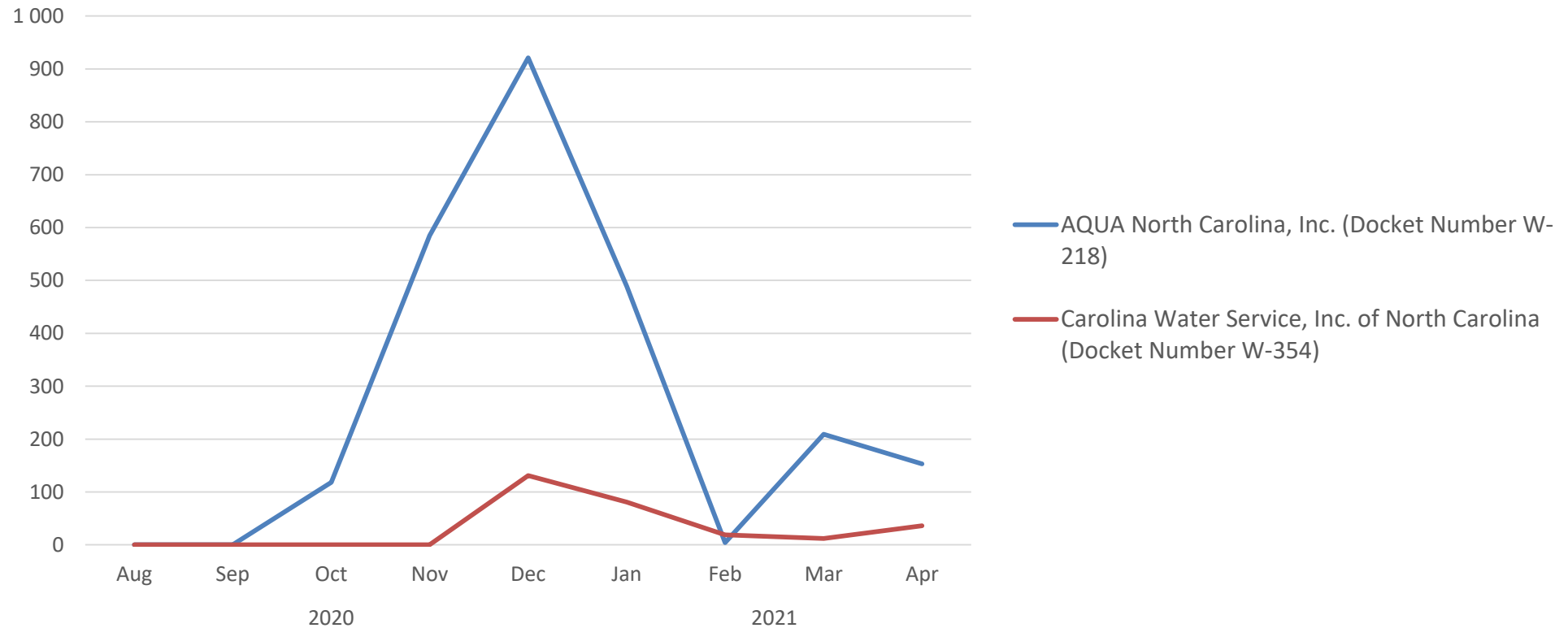


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

# **DISCONNECTIONS BY WATER & WASTEWATER UTILITIES – LARGEST 2 COMPANIES**



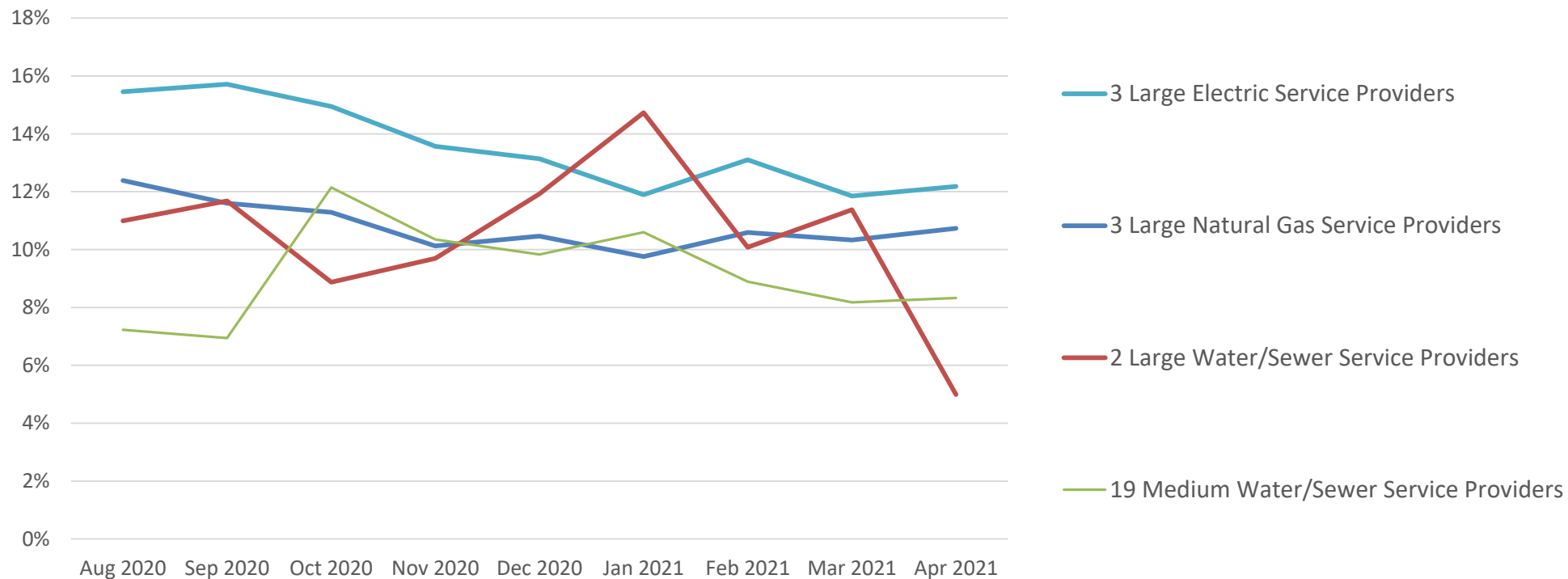
## Number of Accounts Disconnected for Non-Payment (Including Reconnected Accounts)



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

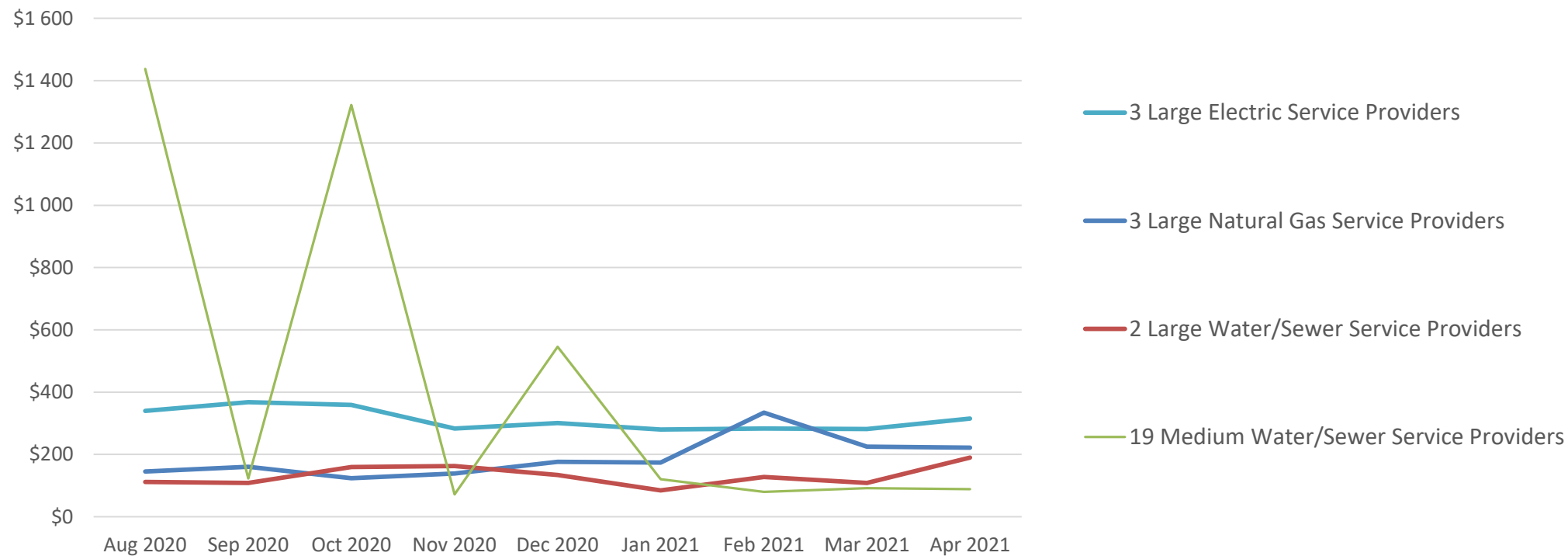
# ARREARAGES

## Percentage of Accounts Considered Past Due at the End of the Month



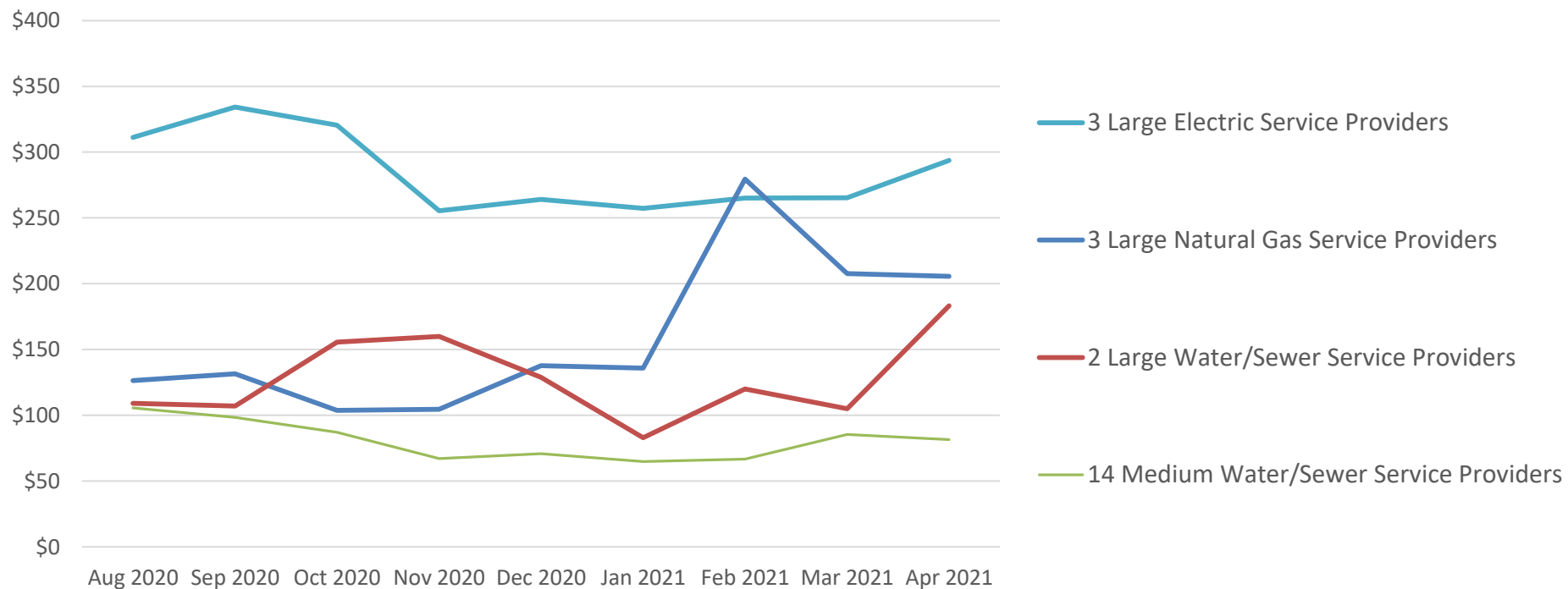
Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

## Average Arrears on Past Due Accounts at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

### Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only

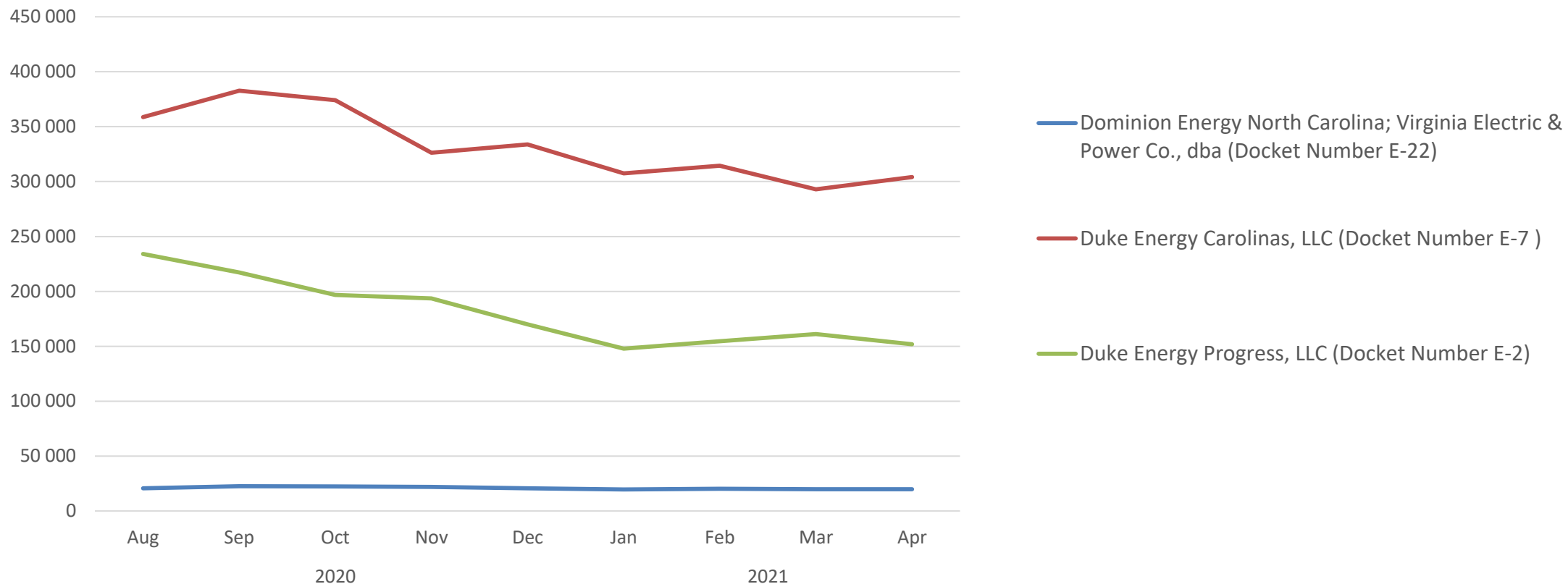


Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

# ELECTRIC UTILITY ARREARAGES

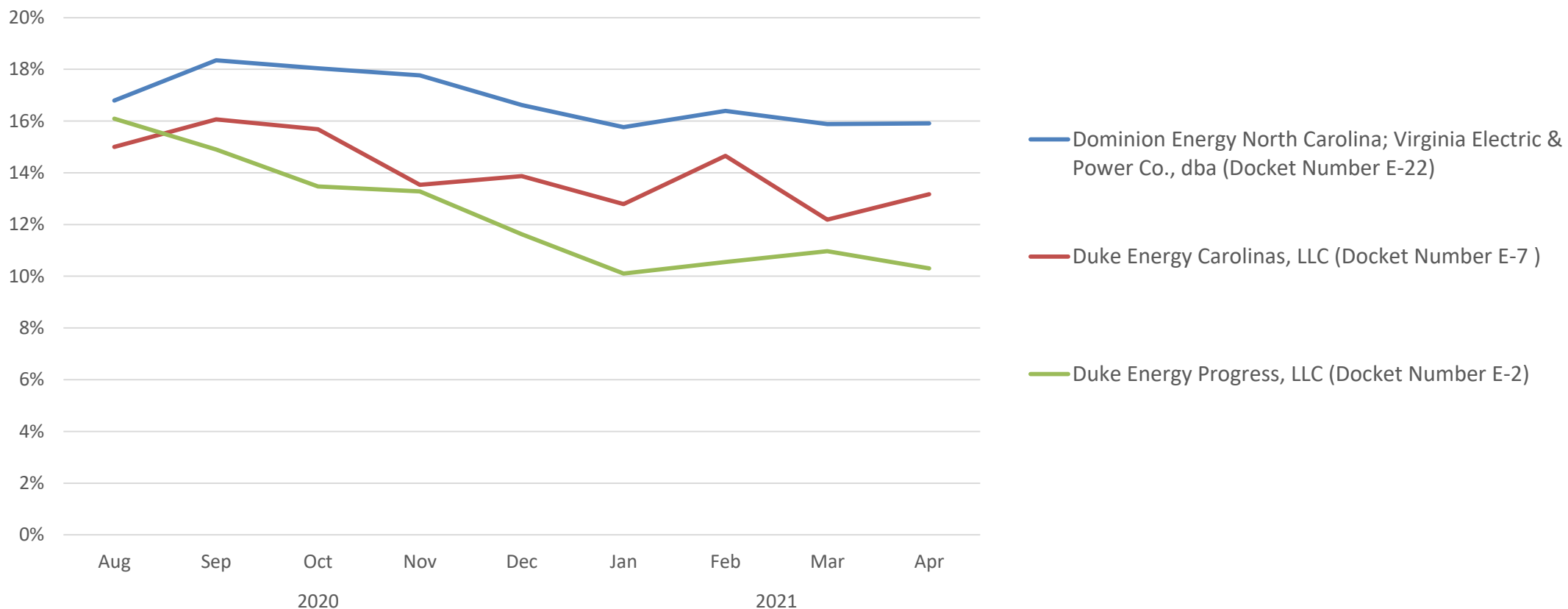


## Number of Accounts Considered Past Due at the End of the Month



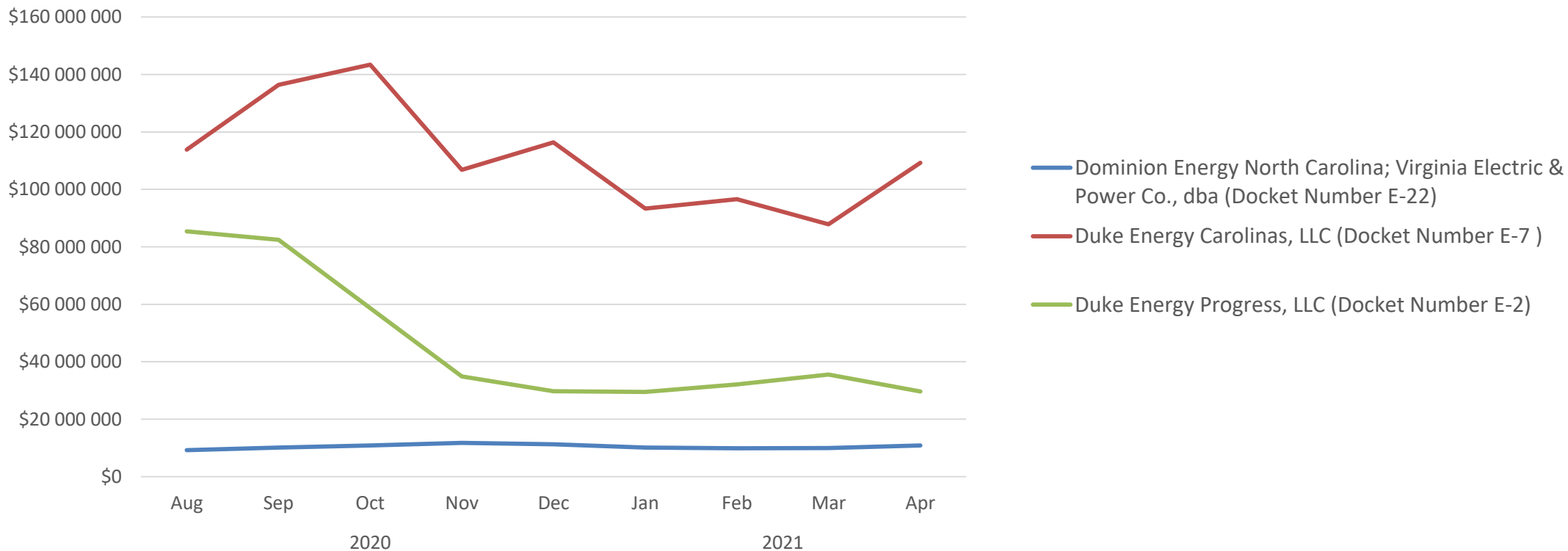
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

## Percentage of Accounts Considered Past Due at the End of the Month



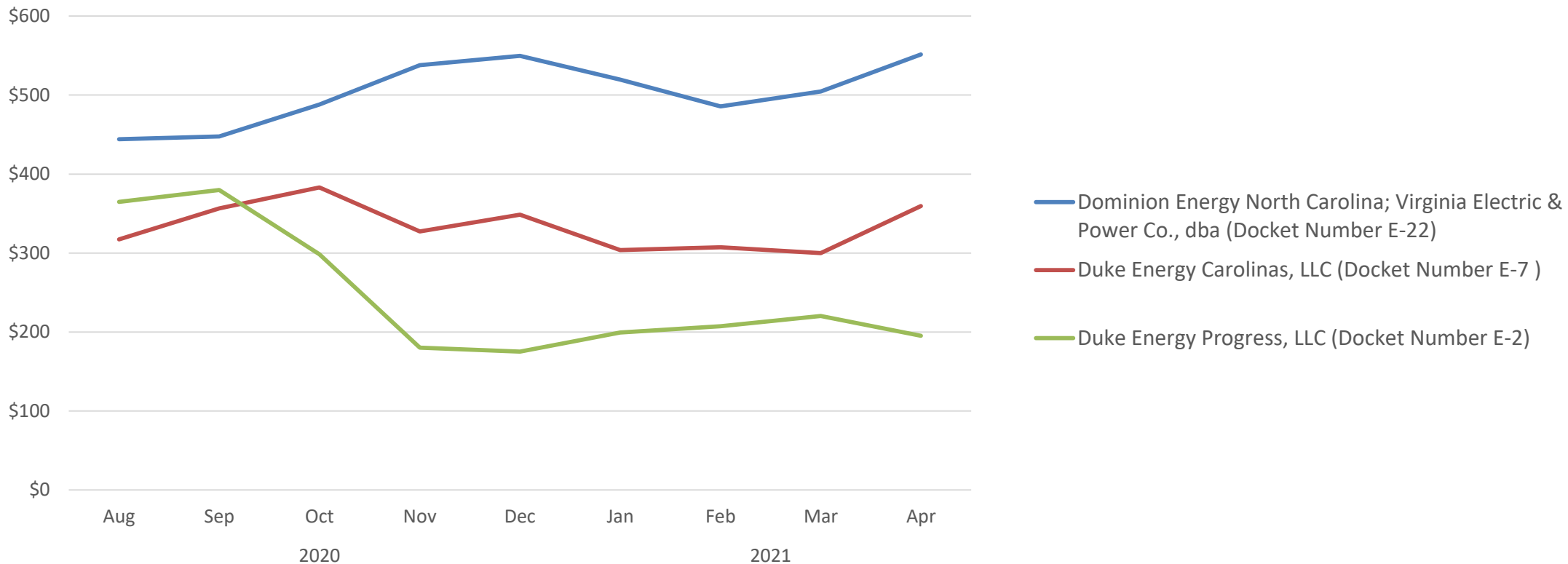
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

## Total Arrears at Least 30 Days Past Due at the End of the Month



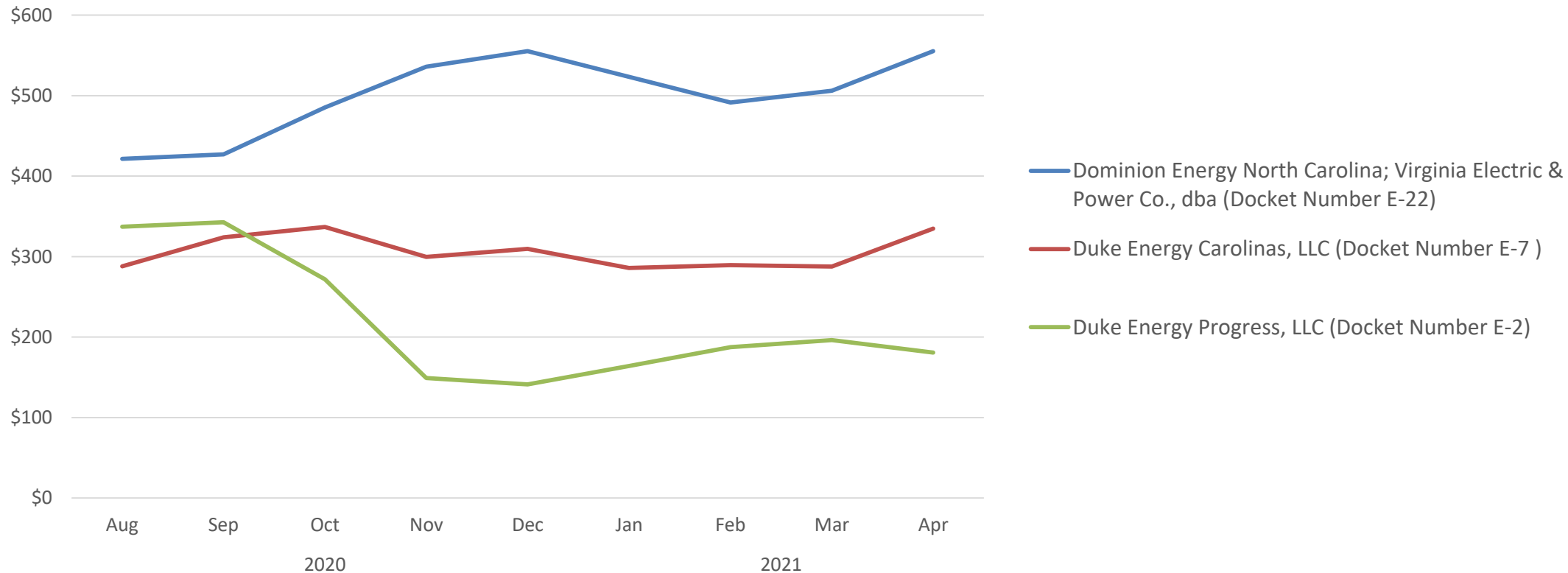
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

### Average Arrears on Past Due Accounts at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

## Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only

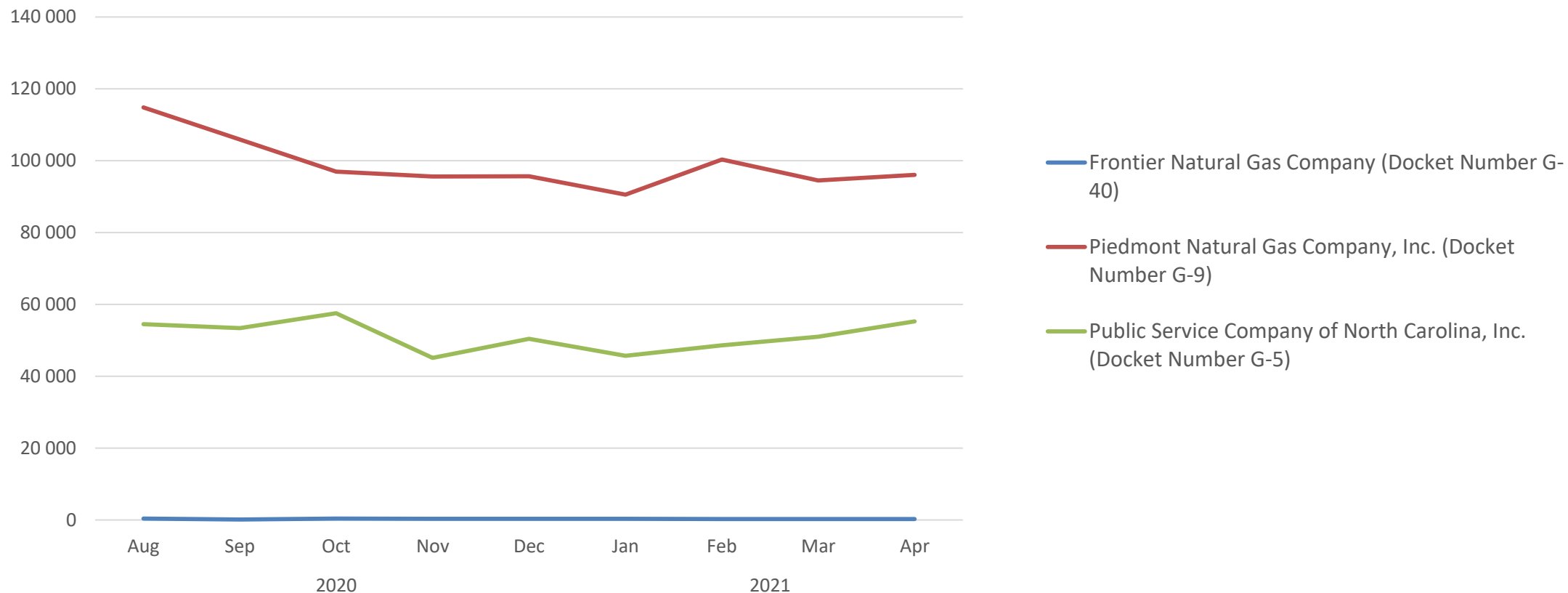


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



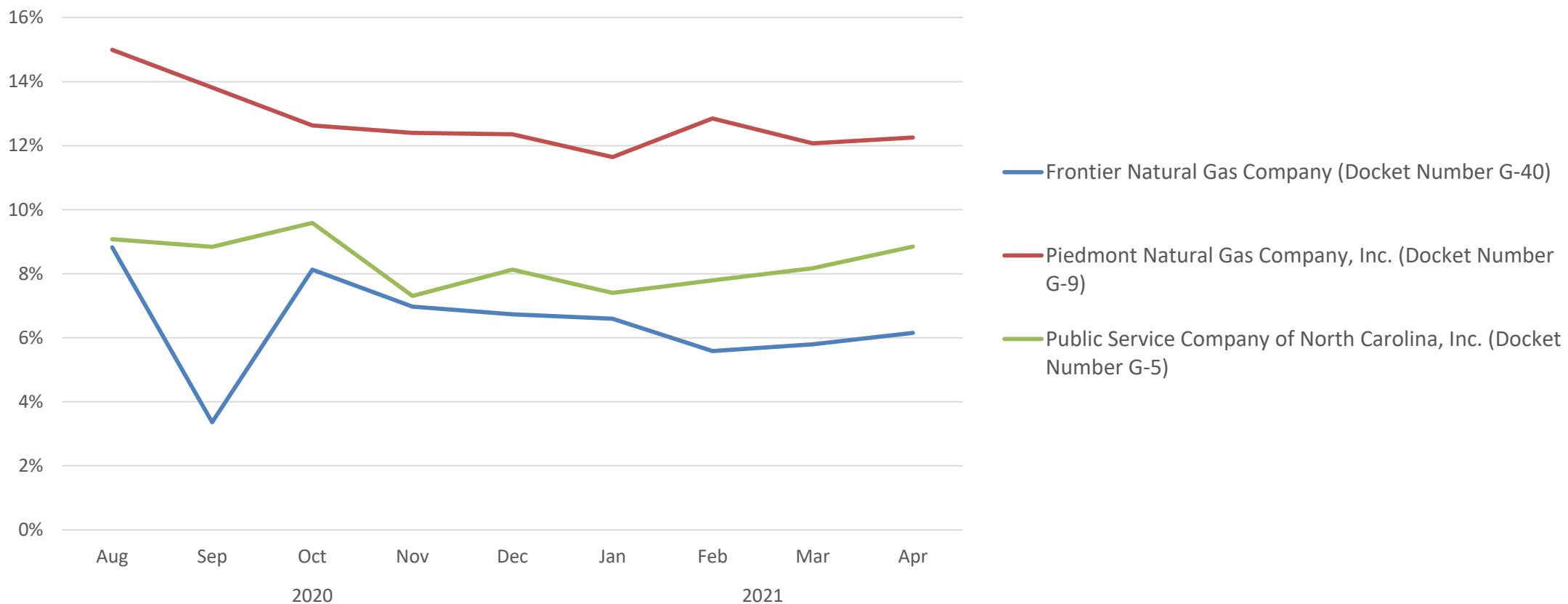
# NATURAL GAS UTILITY ARREARAGES

## Number of Accounts Considered Past Due at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

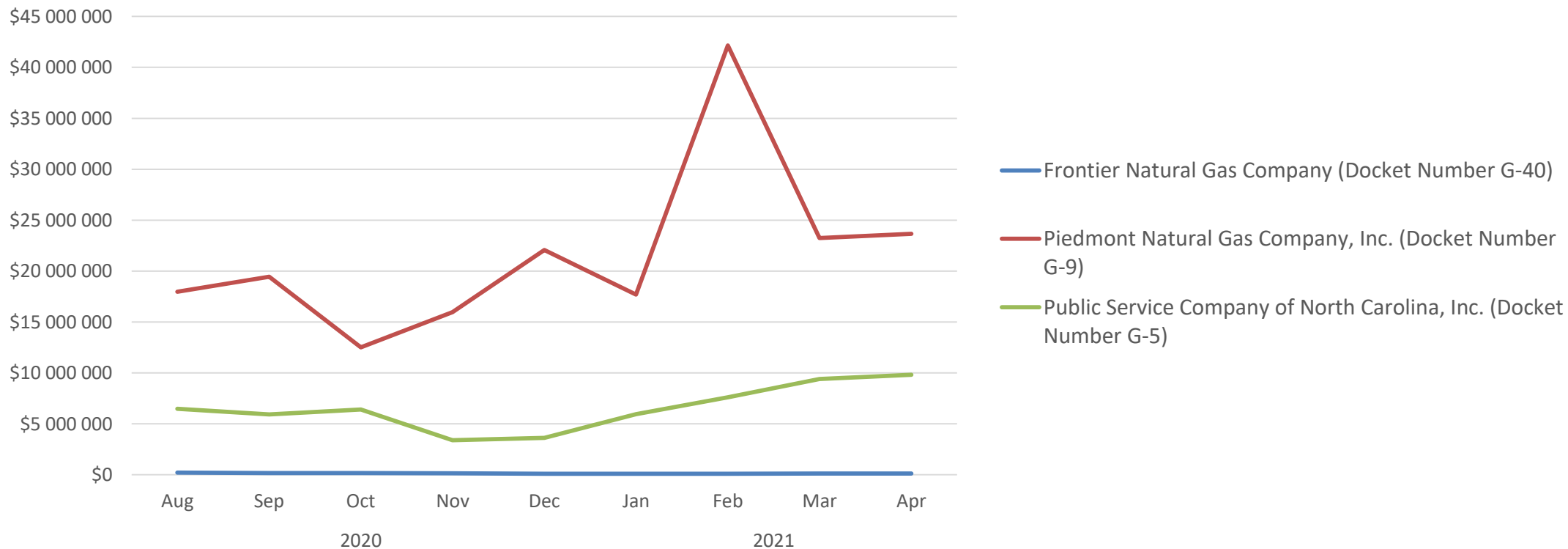
## Percentage of Accounts Considered Past Due at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

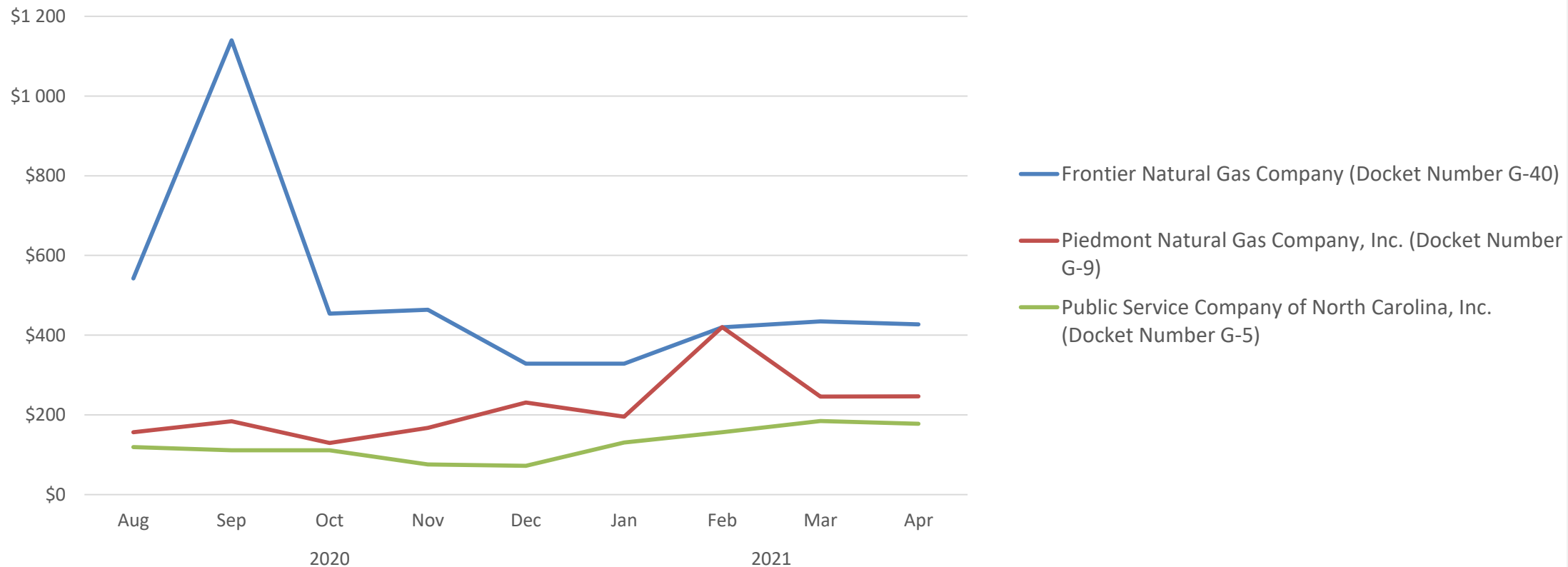


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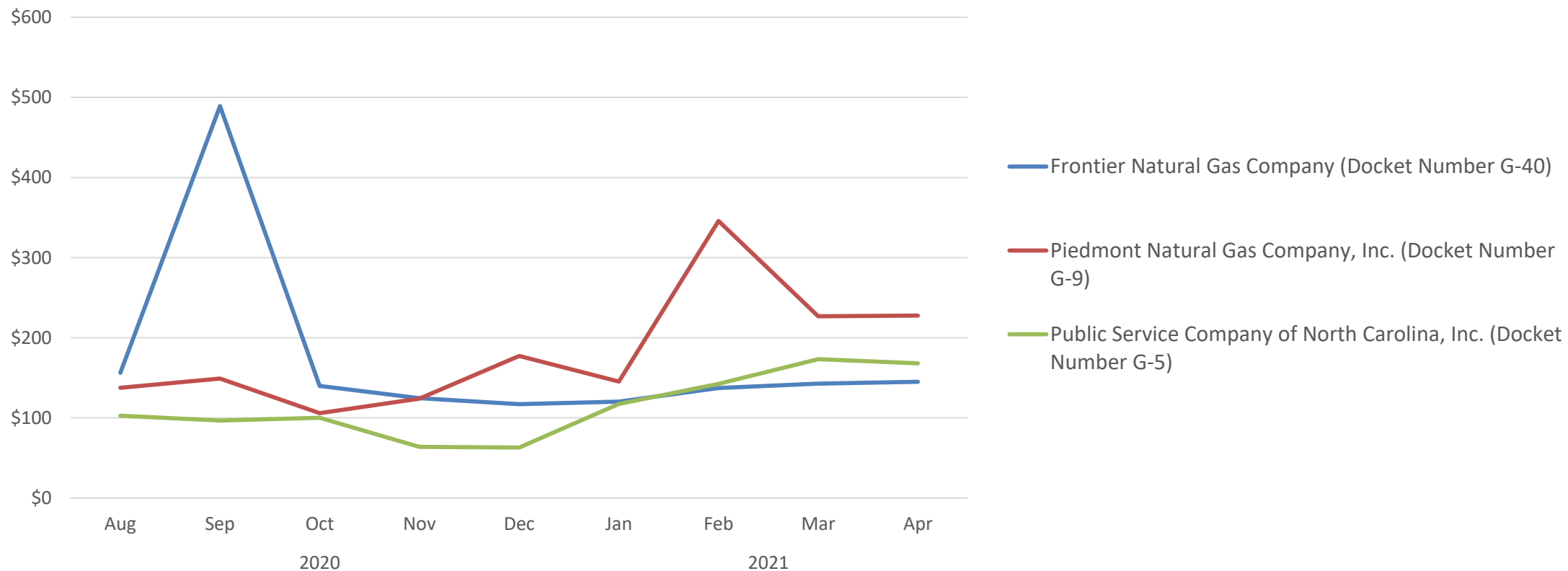
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

## Average Arrears on Past Due Accounts at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

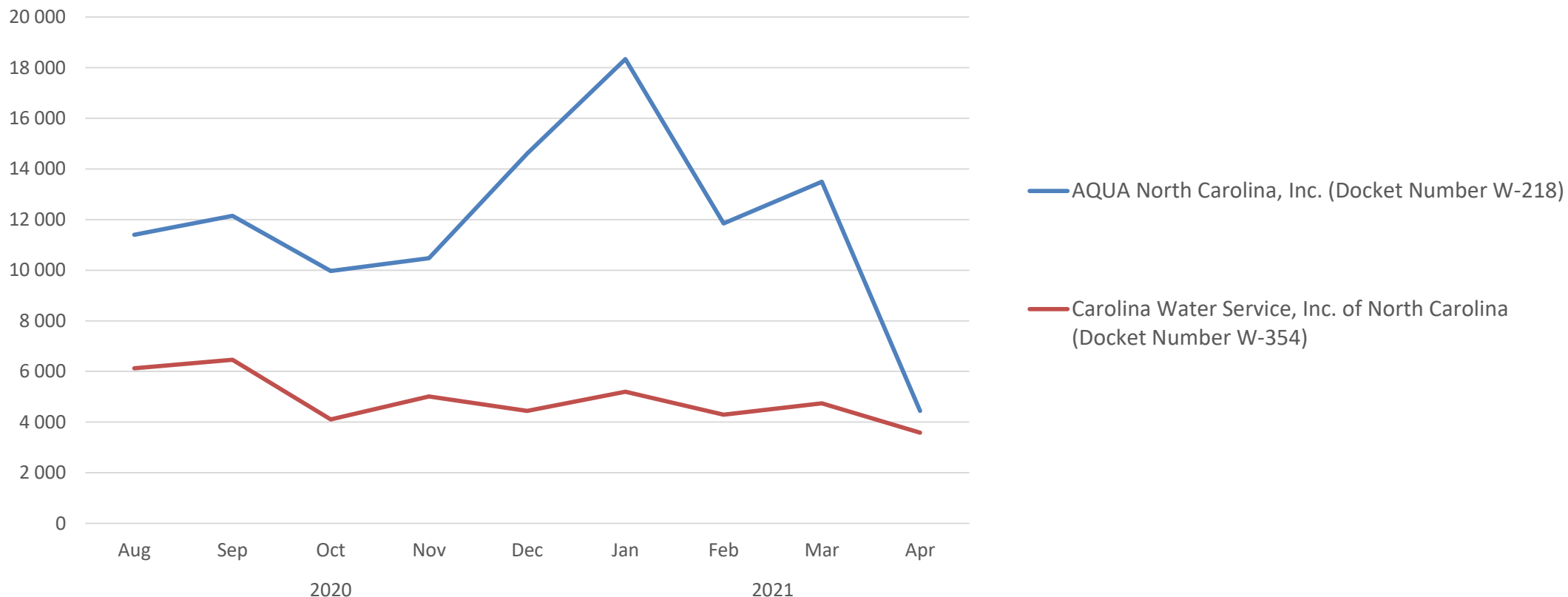
## Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

# **WATER & WASTEWATER UTILITY ARREARAGES - LARGEST 2 COMPANIES**

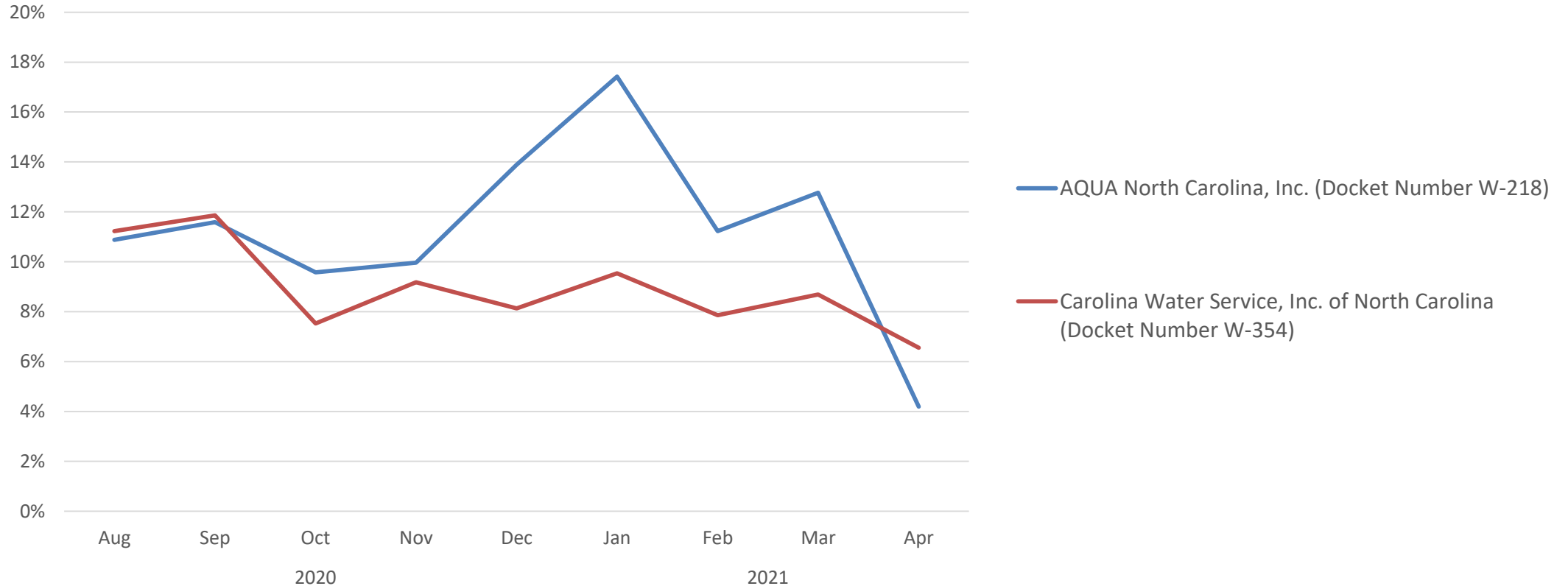
## Number of Accounts Considered Past Due at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

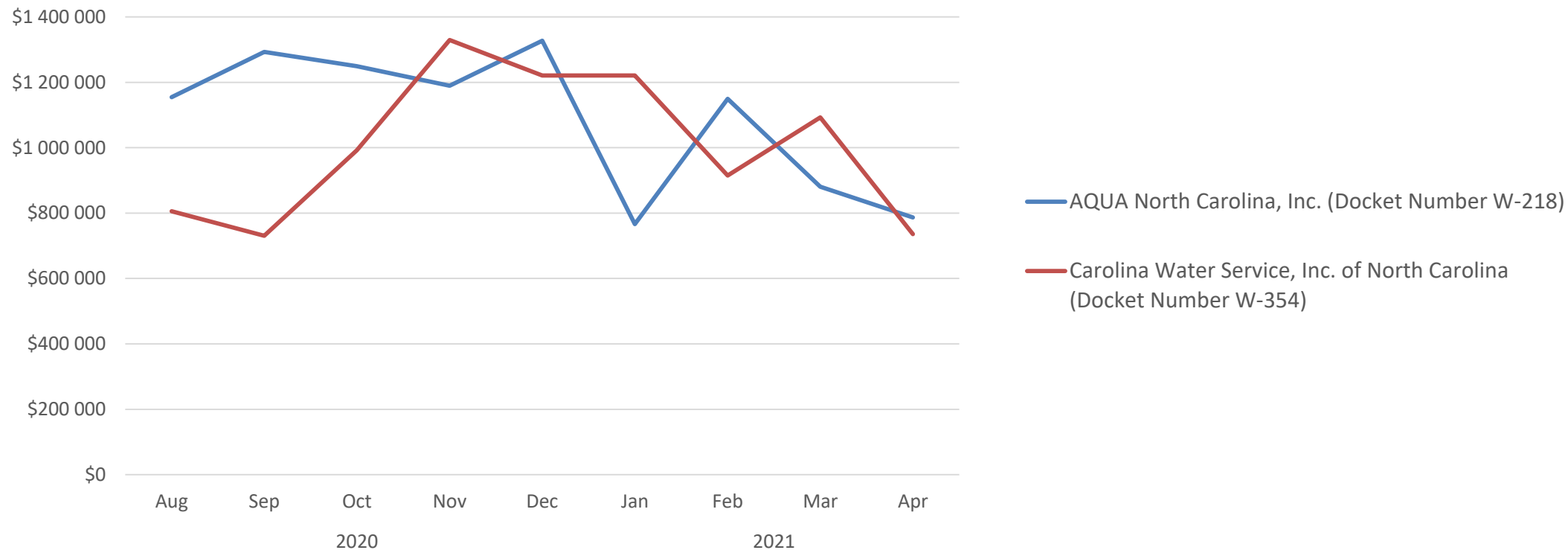


## Percentage of Accounts Considered Past Due at the End of the Month



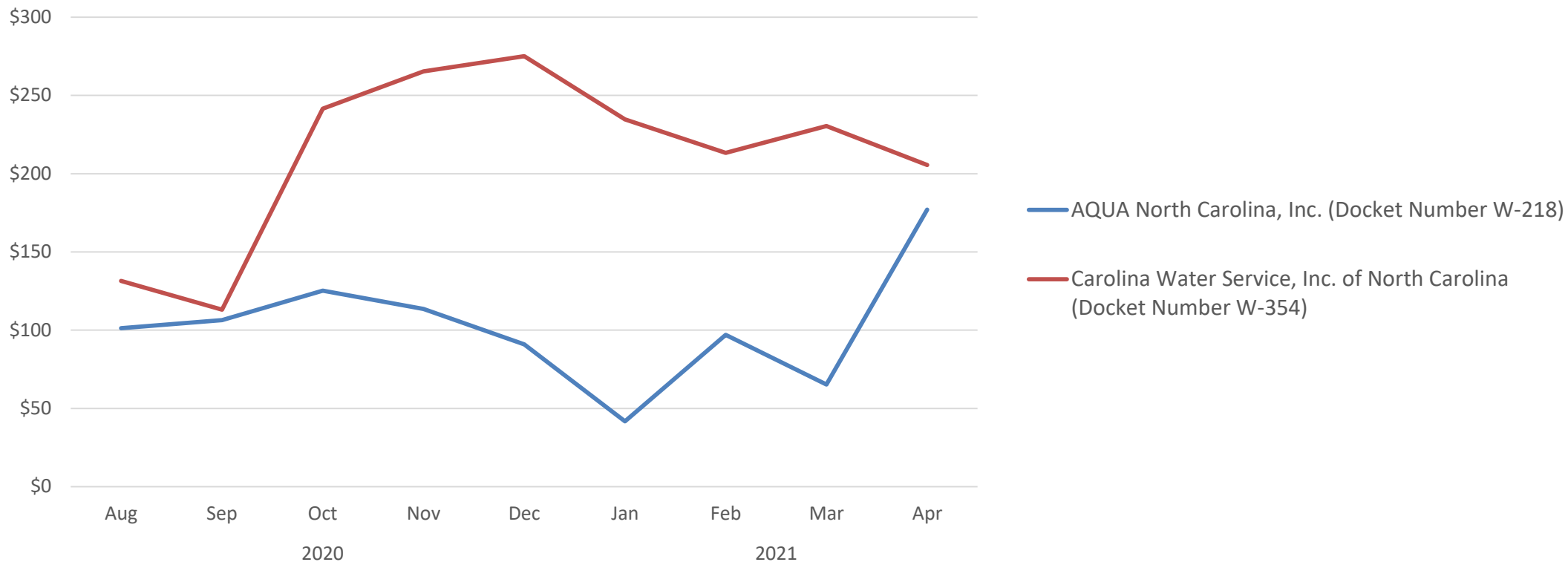
Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

### Total Arrears at Least 30 Days Past Due at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

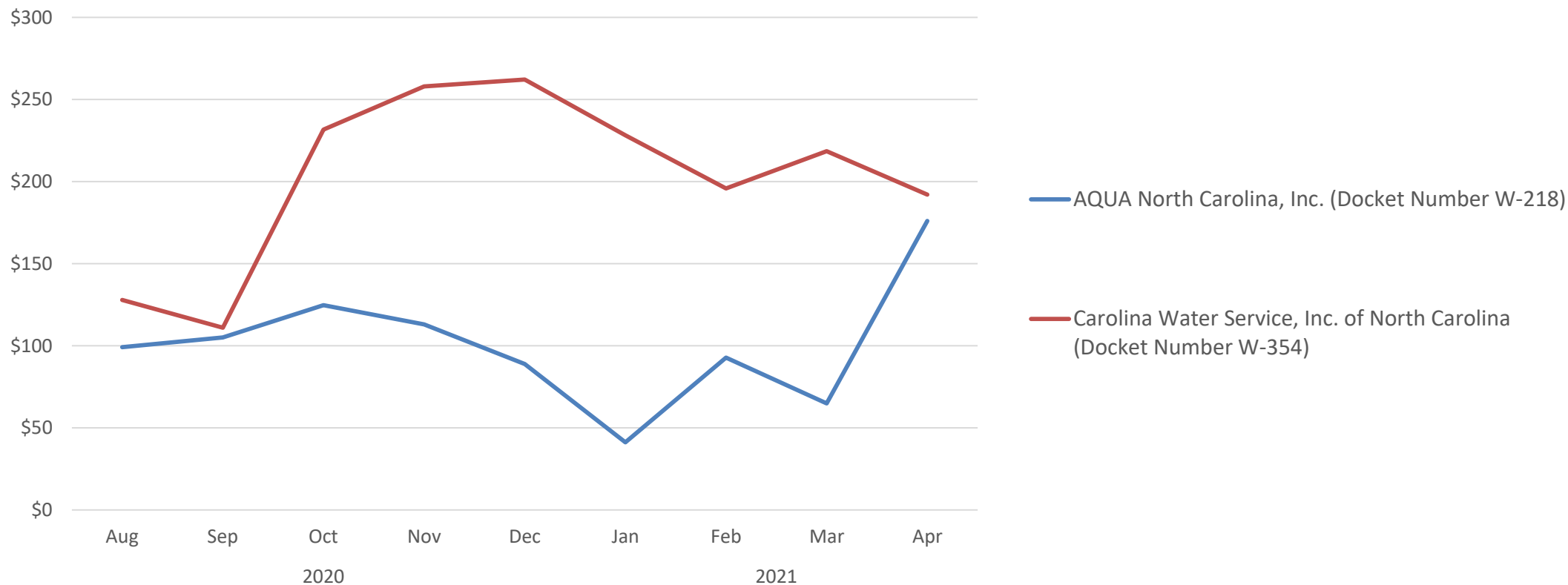
### Average Arrears on Past Due Accounts at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission.



## Average Arrears on Past Due Accounts at the End of the Month: Residential Accounts Only

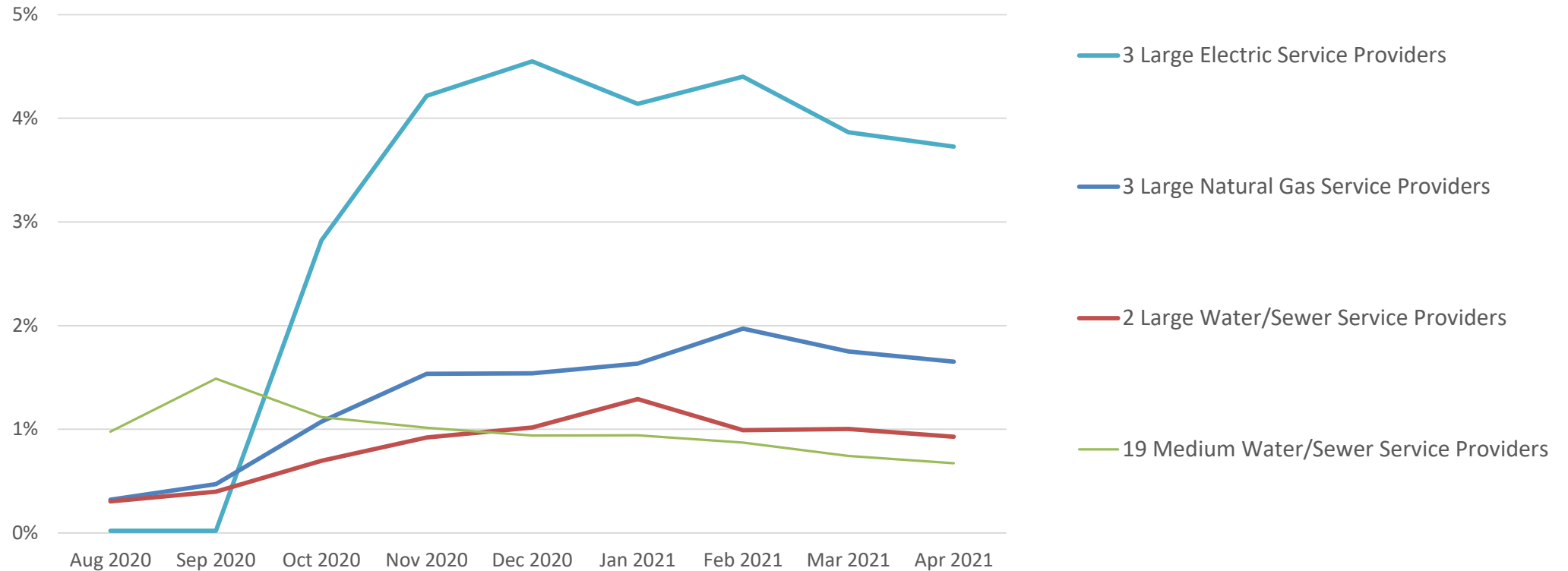


Source: Data reported by the utility service providers to the North Carolina Utilities Commission.

# PAYMENT PLANS

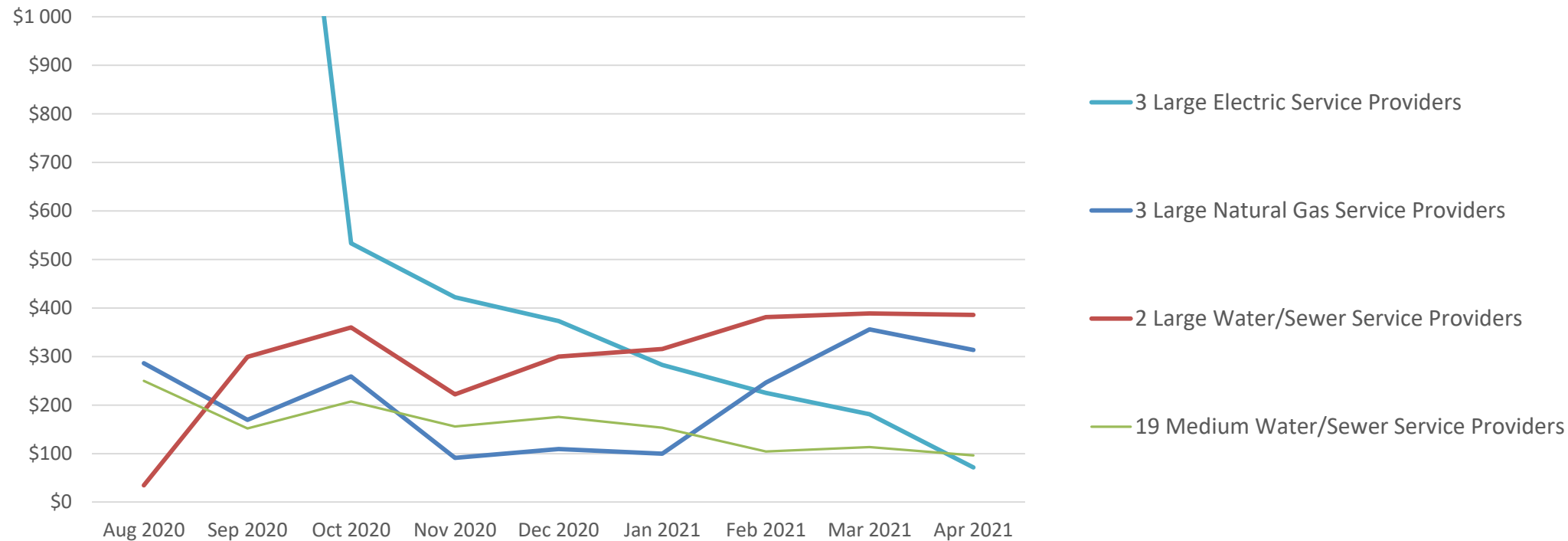


## Percentage of Accounts on Repayment Plans at the End of the Month



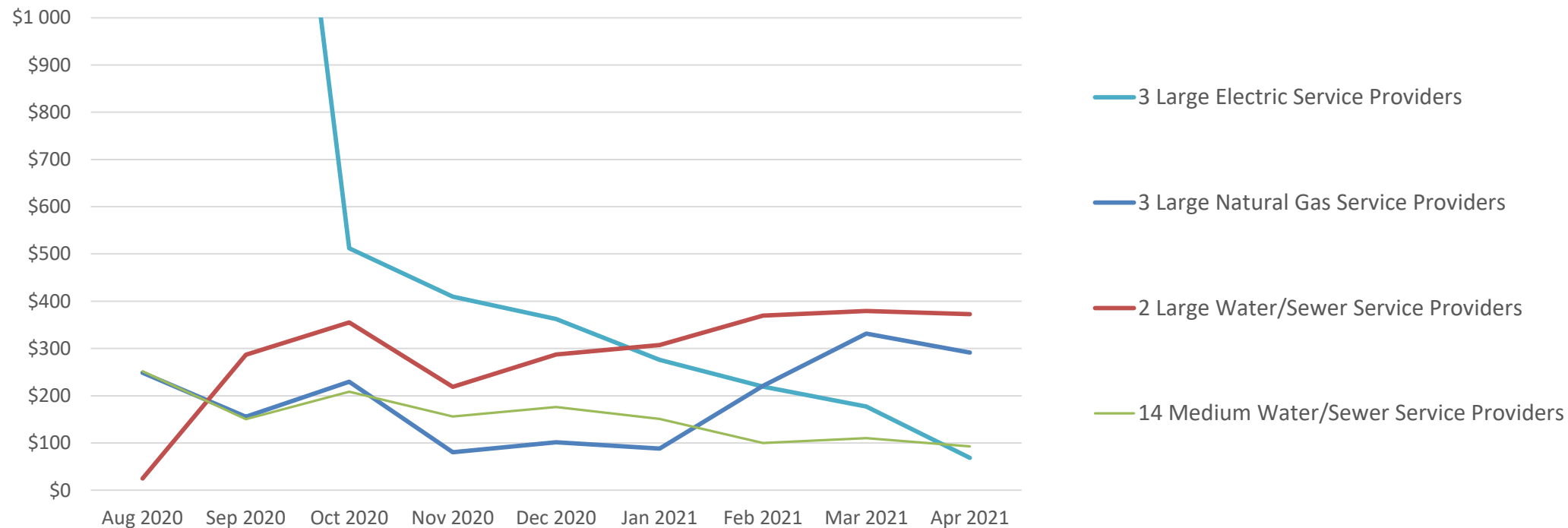
Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

## Average Balance on Repayment Plans at the End of the Month



Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

## Average Balance on Repayment Plans at the End of the Month: Residential Accounts Only



Source: Data reported by the utility service providers to the North Carolina Utilities Commission. Includes only utilities that reported data every single month since August 2020.

## Additional Information

- This report, as well as the raw data reported by the jurisdictional utilities, will be filed in NCUC Docket No. M-100, Sub 158, which is publicly available on the Commission's website.
- Please contact Sam Ingalls at [singalls@ncuc.net](mailto:singalls@ncuc.net) if you have any questions or if you would like to be provided with any additional information.