



Control Number: 50664



Item Number: 172

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PUBLIC UTILITY COMMISSION
OF TEXAS
UTILITY COMMISSION
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**SECOND ORDER
RELATED TO COVID-19 ELECTRICITY RELIEF PROGRAM**

On March 13, 2020, in response to the growing threat of the coronavirus disease (COVID-19), Governor Greg Abbott issued a Declaration of State of Disaster for all counties in Texas. On April 12, 2020, Governor Abbott renewed the disaster proclamation for all counties in Texas. On March 26, 2020, the Commission issued an order to address the effects of COVID-19 for electric services provided in the areas of the state of Texas that are open to customer choice and established the COVID-19 Electricity Relief Program. Through this Order, the Commission finds that the need for this Program continues to exist and modifies the Program to provide clarity to those subject to the Program.

Through this Order, the Commission modifies the customer assistance program previously authorized by the Commission for certain residential customers of electric service in areas of the state open to customer choice. The COVID-19 Electricity Relief Program as modified is attached to this Order and is adopted and incorporated into and made a part of this Order.

The Commission issues this Order under its statutory authority to regulate public utilities, to regulate the provision of wholesale and retail electric service, to provide protections to retail customers of electric service, and to oversee the Electric Reliability Council of Texas, Inc. (ERCOT) as the independent organization.

The Commission recognizes that further details of the COVID-19 Electricity Relief Program will need to be addressed in the coming days and the plan will need to be supplemented and may need to be modified. The Commission also recognizes that the current state of disaster is bringing new challenges that may also need to be addressed and may require changes to the COVID-19 Electricity Relief Program. Accordingly, the Commission will continue to evaluate

the issues addressed by the program and monitor the operation of the program and will supplement and modify the program in future orders as needed to address these issues.

In addition, the initial funding mechanism for the COVID-19 Electricity Relief Program is temporary and requires further review. The Commission recognizes that there may be other funding sources available for longer-term funding of this plan. Accordingly, the charge approved in this Order will be reviewed on May 14, 2020, unless it is modified or extended by further Commission action before then.

Each transmission and distribution utility (TDU) in the ERCOT region has already filed a tariff rider to implement the terms of the COVID-19 Electricity Relief Program. The term “transmission and distribution utility” or “TDU” in this Order or in the COVID-19 Electricity Relief Program does not include a river authority. ERCOT has already provided the initial contribution to the TDUs for the COVID-19 Electricity Relief Program.

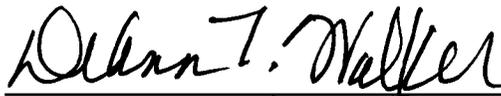
Consistent with the above discussion, the Commission orders the following:

1. The COVID-19 Electricity Relief Program became effective on March 26, 2020, which is the date of the initial Commission order. The program is established as a customer assistance program to protect eligible residential customers of retail electric service in the areas of this state open to customer choice from disconnection for nonpayment. Financial assistance for eligible residential customers is also available as described in the COVID-19 Electricity Relief Program attached to this Order.
2. Each TDU must comply with all applicable provisions of the program.
3. Retail electric providers must cease disconnections of eligible residential customers in areas open to customer choice as provided by other orders of the Commission and the COVID-19 Electricity Relief Program and must comply with all applicable provisions of the program.
4. ERCOT must comply with all applicable provisions of the program.
5. The COVID-19 Electricity Relief Program fund must make reimbursements in accordance with the COVID-19 Electricity Relief Program.

6. The Commission may supplement and modify the COVID-19 Electricity Relief Program by subsequent order.
7. TDUs must file the reports required by the COVID-19 Electricity Relief Program in Project No. 50703, *Reports of Transmission and Distribution Utilities on the COVID-19 Electricity Relief Program*.

Signed at Austin, Texas the 17th day of April 2020.

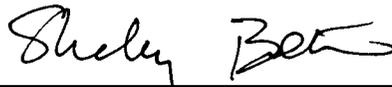
PUBLIC UTILITY COMMISSION OF TEXAS



DEANN T. WALKER, CHAIRMAN



ARTHUR C. D'ANDREA, COMMISSIONER



SHELLY BOTKIN, COMMISSIONER

Attachment

COVID-19 Electricity Relief Program

COVID-19 Electricity Relief Program

Overview

- On March 19, 2020, Governor Abbott issued Executive Order No. GA-08 that set forth four orders effective from March 20, 2020 until April 3, 2020, subject to extension. The orders state the following:
 - Order No. 1 - In accordance with the Guidelines from the President and the CDC, every person in Texas shall avoid social gatherings in groups of more than 10 people.
 - Order No. 2 - In accordance with the Guidelines from the President and the CDC, people shall avoid eating or drinking at bars, restaurants, and food courts, or visiting gyms or massage parlors; provided, however, that the use of drive-thru, pickup, or delivery options is allowed and highly encouraged throughout the limited duration of this executive order.
 - Order No. 3 - In accordance with the Guidelines from the President and the CDC, people shall not visit nursing homes or retirement or long-term care facilities unless to provide critical assistance.
 - Order No. 4 - In accordance with the Guidelines from the President and the CDC, schools shall temporarily close.
- On March 31, 2020, Governor Abbott issued Executive Order No. GA-14, which superseded Executive Order No. GA-08, to remain in effect until April 30, 2020, subject to extension. The order states the following:
 - In accordance with guidance from DSHS Commissioner Dr. Hellerstedt, and to achieve the goals established by the President to reduce the spread of COVID-19, every person in Texas shall, except where necessary to provide or obtain essential services, minimize social gatherings and minimize in-person contact with people who are not in the same household.
 - “Essential services” shall consist of everything listed by the U.S. Department of Homeland Security in its Guidance on the Essential Critical Infrastructure Workforce, Version 2.0, plus religious services conducted in churches, congregations, and houses of worship. Other essential services may be added to this list with the approval of the Texas Division of Emergency Management (TDEM). TDEM shall maintain an online list of essential services, as specified in this executive order and in any approved additions. Requests for additions should be directed to TDEM at EssentialServices@tdem.texas.gov or by visiting www.tdem.texas.gov/essentialservices.
 - In providing or obtaining essential services, people and businesses should follow the Guidelines from the President and the CDC by practicing good hygiene,

environmental cleanliness, and sanitation, implementing social distancing, and working from home if possible. In particular, all services should be provided through remote telework from home unless they are essential services that cannot be provided through remote telework. If religious services cannot be conducted from home or through remote services, they should be conducted consistent with the Guidelines from the President and the CDC by practicing good hygiene, environmental cleanliness, and sanitation, and by implementing social distancing to prevent the spread of COVID-19.

- In accordance with the Guidelines from the President and the CDC, people shall avoid eating or drinking at bars, restaurants, and food courts, or visiting gyms, massage establishments, tattoo studios, piercing studios, or cosmetology salons; provided, however, that the use of drive-thru, pickup, or delivery options for food and drinks is allowed and highly encouraged throughout the limited duration of this executive order.
 - This executive order does not prohibit people from accessing essential services or engaging in essential daily activities, such as going to the grocery store or gas station, providing or obtaining other essential services, visiting parks, hunting or fishing, or engaging in physical activity like jogging or bicycling, so long as the necessary precautions are maintained to reduce the transmission of COVID-19 and to minimize in-person contact with people who are not in the same household.
 - In accordance with the Guidelines from the President and the CDC, people shall not visit nursing homes, state supported living centers, assisted living facilities, or long-term care facilities unless to provide critical assistance as determined through guidance from the Texas Health and Human Services Commission.
 - In accordance with the Guidelines from the President and the CDC, schools shall remain temporarily closed to in-person classroom attendance and shall not recommence before May 4, 2020.
- The customer assistance program (COVID-19 Electricity Relief Program) applies to residential customers meeting the eligibility criteria of the program. It is meant to address the needs of residential customers that are unable to pay their electric bill due to loss of employment due to the COVID-19 situation.
 - The program became effective on March 26, 2020 and is applicable to invoices received from the transmission and distribution utility (TDU) by the Retail Electric Provider (REP) and electric bills issued to eligible residential customers on or after that date. It does not apply to invoices or electric bills received prior to the effective date of the program.
 - The COVID-19 Electricity Relief Program creates a temporary exemption from disconnections for non-payment for eligible residential customers in areas open to customer choice, thus protecting affected residential customers and reducing some of the exposure of the competitive market from excessive COVID-19-related bad debt that could lead to industry upheaval and bankruptcies.

- Only the residential classes will be eligible for the COVID-19 Electricity Relief Program and suspension of disconnection for non-payment. REPs must contact residential customers to attempt to place the customer on deferred payment plans before submitting any claims for financial assistance from the program.
- The Commission has issued an order under 16 Texas Administrative Code (TAC) §§ 25.480(j)(1)(B) and 25.498(i)(1)(B) requiring REPs to offer deferred payment plans to customers who have experienced financial hardship due to COVID-19. As provided by those rules, REPs may implement switch-holds for customers who enter into a deferred payment plan. When a customer contacts a REP and indicates an inability to pay a bill, or to make a deferred payment plan installment, the REP will inform the customer of the COVID-19 Electricity Relief Program and will provide instructions for the customer to contact the Low-Income List Administrator (LILA) to self-enroll if the customer is experiencing unemployment due to the impacts of COVID-19.
- The moratorium on disconnections for non-payment implemented by the TDUs ended on or about March 29, 2020.

Mechanism

- TDUs will implement a rider to facilitate funding the COVID-19 Electricity Relief Program for customers within the customer choice areas of the Electric Reliability Council of Texas (ERCOT). The rider will collect funds to be utilized to reimburse TDUs and REPs for unpaid bills from qualified residential customers experiencing unemployment due to the impacts of COVID-19 and to ensure continuity of electric service for those residential customers.
- The rider will be a set amount per kilowatt hour (kWh) with funds collected and administered by the TDUs across all customer classes. The initial rider will be based on \$0.33 per megawatt hour (MWh). The TDUs have implemented the rider.
- To assist the public interest under the COVID-19 Electricity Relief Program, ERCOT has provided the initial contribution to create the TDUs' initial fund balance. This contribution will be considered an allowable expense under 16 TAC § 25.363(c). For reporting purposes, ERCOT will process the contribution as an interest free receivable in its books until fully repaid by each TDU. ERCOT and each TDU have entered into an interest free loan agreement that will describe the payment terms and conditions and be consistent with the COVID-19 Electricity Relief Program. Each loan agreement will be filed with the Commission. Amounts to be repaid to ERCOT will be collected through the TDU riders and repaid prior to the end of the COVID-19 Electricity Relief Program.
- The fund administered by each TDU for the COVID-19 Electricity Relief Program can also receive donations and grants from governmental entities, corporations, and other entities. Any funds received from other sources shall be administered and treated in the same manner by the TDU as the funds in the program from the rider.

- If the rider and donations or grants are not providing sufficient funds to cover the TDU and REP eligible costs, then the TDU will file a request for an adjustment to the rider. At any point during the pendency of the COVID-19 Electricity Relief Program, TDUs or REPs may petition the Commission for a review of or amendment to the COVID-19 Electricity Relief Program, including adjustments to the rider. The Commission will act on any petition within 30 days.
- The fund will reimburse the following entities and eligible costs: REPs with energy charges related to residential customers qualified for financial assistance; TDUs for delivery charges related to residential customers qualified for financial assistance; the third-party administrator to cover its reasonable costs of administering the COVID-19 Electricity Relief Program eligibility process; and ERCOT for the initial contribution. Disbursements to REPs will be calculated using a standardized energy charge based on an average energy cost of \$0.04 per kWh.
- Financial assistance under the COVID-19 Electricity Relief Program is a single benefit that consists of two components: (1) the suppression of delivery charges by the TDU and (2) an energy charge reimbursement of \$0.04 per kWh to the REP on behalf of the customer.
- The following customer identification process will be used, facilitated by the third-party vendor, who is the same entity as the Low-Income List Administrator (LILA). A residential customer experiencing hardship due to unemployment from the effects of the COVID-19 disaster must contact the LILA. The residential customer must provide the LILA with an attestation of unemployment (to be followed by documentation of unemployment within 30 days) and sufficient information to identify the customer's electric service account, such as the service address, account number, and telephone number. The LILA will compare the customer's information to the lists of residential customers submitted by REPs to create files of matching residential customers eligible for the COVID-19 Electricity Relief Program. A customer who is automatically enrolled on the LILA list in cooperation with the Texas Department of State Health Services is also eligible for the COVID-19 Electricity Relief Program. Each REP must retrieve from the third-party vendor the list of residential customers served by that REP who are eligible for the COVID-19 Electricity Relief Program.
- REPs will cease submitting disconnection for non-payment orders for residential customers identified as eligible for the COVID-19 Electricity Relief Program.
- A REP must make meaningful attempts to offer the customer a deferred payment plan. A meaningful attempt to offer a customer a deferred payment plan does not include mass electronic communications to the REP's customers. A REP must demonstrate that it has made these customer specific attempts prior to qualifying the customer to receive financial assistance.
- If a customer enters into a deferred payment plan, the REP must allow the customer an opportunity to fulfill the terms of the plan prior to qualifying the customer to receive financial assistance.

- A REP must qualify a customer to receive financial assistance before submitting a request for delivery charges to be suppressed and an energy charge reimbursement for that customer.
- The REP should credit the qualified customer's account upon submitting the energy charge reimbursement request to the TDU. The customer's account should also reflect any suppression of TDU delivery charges. Any adjustments from the program should also be reflected on the customer's next bill or Summary of Usage and Payment.
- A residential customer who demonstrates eligibility for the COVID-19 Electricity Relief Program is deemed as having established satisfactory credit for the purpose of 16 TAC § 25.478(a).
- TDUs will cease charging REPs for delivery charges, except securitization-related charges, related to customers identified as qualified for the COVID-19 Electricity Relief Program financial assistance.
- The COVID-19 Electricity Relief Program financial assistance is forward-looking and will begin for each customer at the time that the customer would otherwise be subject to disconnection for non-payment, absent the Program. To provide for consistent implementation, when a REP submits a request to suppress TDU charges, the TDU will reissue the most recent TDU invoice with the charges suppressed. Only one invoice may be reissued. Following the suppression request, future TDU invoices to the REP will have delivery charges suppressed.
- A REP must submit the reimbursement requests for the same usage period during which the TDU charges are suppressed, and only for that period.
- The COVID-19 Electricity Relief Program, including the suspension of disconnections for non-payment and addition of eligible residential customers to the COVID-19 Electricity Relief Program, will end on July 17, 2020, unless extended by the Commission. The COVID-19 Electricity Relief Program may be extended for an additional period if, after a reassessment of the COVID-19 Electricity Relief Program, the Commission determines that the need for the program continues to exist.
- The TDUs' riders will remain in place and reimbursements to the TDUs and REPs will continue after the COVID-19 Electricity Relief Program has ended to complete any remaining COVID-19 Electricity Relief Program cost recovery and to disburse all reimbursement amounts or remaining balances.
- Final claims for reimbursement must be submitted to TDUs not later than 90 days after the end of the COVID-19 Electricity Relief Program. For any amounts recovered under the rider that remain after the end of the COVID-19 Electricity Relief Program, the TDUs will issue a refund through REPs to end-use customers in the same manner the rider was charged. REPs must pass through any monies refunded to customers.

- TDUs must prepare reports on the COVID-19 Electricity Relief Program to be filed at the Commission every 30 days providing data showing aggregate amounts of reimbursements to the TDUs and REPs. Reimbursements and collections will be subject to reconciliation and audit by the Commission.
- REPs must submit one spreadsheet with reimbursement claims to each TDU beginning on April 30, 2020 and all subsequent requests may be made on the 15th of each month. TDUs will create a standard spreadsheet format; however, the spreadsheet will include the following information: ESI IDs; kWh usage; kWh usage x \$0.04; REP invoice number and date of invoice. Reimbursement payments to REPs will be processed within 14 days.
- Concurrent with each request for energy charge reimbursement, a REP must file with the Commission a sworn statement from an executive officer of the REP attesting to the accuracy, in all material respects, of the information provided to the TDU in the requests for delivery charges to be suppressed and energy charge reimbursements. The Commission may request additional reporting from REPs during the program.
- REPs must reflect reimbursement sought through the COVID-19 Electricity Relief Program on the affected customer's account and cease to seek continued collection where funds are received from the program during the pendency of the program. REPs are allowed to recover the remaining balances from the qualified residential customer after the cessation of the program.
- The Commission waives all relevant deadlines within its rules related to required changes to the REP's Terms of Service, Prepaid Disclosure Statement, and Electricity Facts Labels contract documents relevant to the COVID-19 Electricity Relief Program.
- The Commission has issued an order granting authority for the TDUs to create a regulatory asset to capture all reimbursement amounts and the ERCOT contribution. The funds collected from the rider will be used to offset the regulatory asset and the ERCOT contribution repayment. The rider will stay in effect until the regulatory asset balance for the COVID-19 Electricity Relief Program is zero, and ERCOT has been reimbursed.
- On April 10, 2020, Commission Staff released a response to various questions. The document is consistent with the intent of the second order, and it should be used by market participants in the implementation of the COVID-19 Electricity Relief Program.