



Control Number: 47552



Item Number: 16

Addendum StartPage: 0

Public Utility Commission of Texas

Memorandum

RECEIVED

2017 SEP -1 PM 2:16

PUBLIC UTILITY COMMISSION
FILING CLERK

To: Interested Parties

From: Brian Lloyd, Executive Director *BL*

Date: September 1, 2017

Re: **Project 47552**, Issues Related to the Disaster Resulting From Hurricane Harvey, Governors' Disaster Proclamation

In recognition of the widespread damage and flooding caused by Hurricane Harvey, the Public Utility Commission of Texas (PUCT) reiterates that restoration of utility service should remain the highest priority of utilities. The purpose of this memorandum is to communicate that the PUCT will utilize enforcement discretion where appropriate to facilitate this priority.

For water utilities, the PUCT understands that water utilities may need to secure alternative supplies of wholesale water due to damage to facilities, and the PUCT would prefer that, if necessary, water utilities focus on this core procurement function without distraction. As such the PUCT will utilize enforcement discretion with respect to the requirements of 16 TAC § 24.15 insofar as this rule requires water utilities to file certified copies of wholesale water supply contracts within 30 days of executing the contract for water utilities operating in the counties covered by Governor Abbott's disaster declaration. Similarly, the PUCT will utilize enforcement discretion with respect to 16 TAC § 24.74 insofar it is requires maintenance of records for inspection at a particular place or time.

The *Order to Assist Implementation of the Governor's Proclamations Related to the Disaster Caused by Hurricane Harvey* ("Order") issued by the Commission on August 31, 2017 provides guidance as to issues surrounding the estimation of usage for billing purposes. Consistent with this Order, the PUCT will utilize enforcement discretion for water and sewer utilities operating within the counties covered by the disaster declaration with respect to the requirements of the following rules in order to facilitate operations, namely:

- 16 TAC § 24.87(i) insofar as it would require an actual meter read every two months.
- 16 TAC § 24.89(b)(2)(A) insofar as it requires meters to be read in monthly intervals.
- 16 TAC § 24.89(g) insofar as it prohibits estimated billing.

For electric utilities, restoration of service and reconstruction of damaged facilities should remain the highest priority of utilities. As such, the PUCT will utilize enforcement discretion

16

with respect to required deadlines for new electric service for utilities operating within the counties covered by the disaster declaration, namely:

- 16 TAC § 25.22(1), (3), and (4), insofar as it requires electric utilities to fill applications for new electric service not involving line extensions or construction of new facilities within seven working days, requires request for new service requiring construction to be completed within 90 days, and requires the utility to contact customers within a certain time period related to new construction.
- 16 TAC § 25.214(d) and Sections 4.3.2.1, 4.3.12.1, 5.3.1.1, 6.1.3.1, and 6.1.4.1 of the Tariff for Retail Delivery Service, insofar as they would require a utility to perform certain requests related to new service by a certain date.
- 16 TAC § 25.214(d) and Sections 6.1.2.1, 6.1.3.1 and 6.1.4.1 of the Tariff for Retail Delivery Service, insofar as they would require a utility to complete a move-in, move-out or priority move-in on the date requested.
- 16 TAC § 25.214(d) and Section 5.7.3 of the Tariff for Retail Delivery Service, insofar as it requires a utility to give an entity an estimated completion date and estimated cost of request.

The Order provides guidance as to issues surrounding the estimation of usage for billing purposes. Stakeholders met on August 31, 2017 to discuss a variety of issues including metering estimation protocols, and PUCT Staff will continue to facilitate those discussions as directed by the Order. Consistent with the Order, the PUCT will utilize enforcement discretion for electric utilities operating within the counties covered by the disaster declaration with respect to the requirements of the following rules in order to facilitate operations:

- 16 TAC § 25.25 insofar as it requires an actual meter read no less than every third month
- 16 TAC § 25.214(d) and Sections 4.7.2 and 4.7.2.2 of the Tariff for Retail Delivery Service, insofar as they would prohibit the estimating of a customer's electricity consumption in lieu of taking an actual meter reading for more than three consecutive scheduled meter reading dates.
- 16 TAC § 25.214(d) and Section 4.8.1.3 and 6.1.3.1 of the Tariff for Retail Delivery Service, insofar as they require a utility to re-read meters by a certain date.
- 16 TAC §§ 25.124(c) and 25.214(d) and Sections 4.7.4 of the Tariff for Retail Delivery Service, insofar as they require a utility to test meters no later than 10 business days after the request is received.
- 16 TAC § 25.123(b) insofar as it requires utilities to read meters at monthly intervals.

The Order directs Retail Electric Providers to offer deferred payment plans to customers upon request, in the areas covered by the disaster declaration. In light of this requirement, Retail Electric Providers should review systems to ensure automated disconnection for non-payment orders are not sent inappropriately. In addition, transitory gasoline shortages may occur in areas where damage to fuel supply chain components or panic buying temporarily depletes retail gasoline supplies. As such, utilities should prioritize service orders related to utility restoration, outages, reconnection, and de-energized move-ins as needed. As such,

the PUCT will utilize enforcement discretion consistent with facilitating these priorities, including:

- 16 TAC §§ 25.214(d), 25.483(c) and Sections 6.1.2.1, 6.1.3.1, and 6.1.4.1 of the Tariff for Retail Delivery Service, insofar as they require disconnection for nonpayment within a certain timeframe of the requested date.
- 16 TAC § 25.88, insofar as it requires electric utilities to file reports of performance measures and adopt performance plans to remedy the failure to meet performance targets.

Finally, with respect to the telecommunications industry, restoration of service and reconstruction of facilities should remain the highest priority. As such, the PUCT will utilize enforcement discretion with respect to required deadlines for new telecommunications service for utilities operating within the counties covered by the disaster declaration, namely:

- 16 TAC § 26.54(c), insofar as it would require certain telecommunications utilities to comply with state-wide or exchange-specific service quality and performance objectives related to installation, repair and maintenance.
- 16 TAC § 26.22(a) and (b) and 16 TAC § 26.54 insofar as it requires certain telecommunications utilities to provide new service and line extensions within certain timeframes.

This enforcement discretion will apply through September 29, 2017, and may be extended based on conditions in the state at that time.