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PUBLIC UTILITY COMMISSION
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Via Email Transmittal and Interchange Filing in Project 51812

Hon. Peter Lake, Chairman
Hon. Will McAdams, Commissioner
Public Utility Commission of Texas
1701 N. Congress Avenue, 7th Floor
Austin, TX 78711

RE: Request to Lift the Disconnection for Non-Payment ("DNP") Moratorium
PUC Docket No. 51812

Dear Chairman Lake and Commissioner McAdams:

Texas Retail Electric Providers ("REPs") need your help to survive and continue to provide a vibrant competitive marketplace to benefit Texas consumers. Specifically, at your Open Meeting of May 21, 2021, the Commission must act and rescind the February 21, 2021 disconnection for non-payment ("DNP") moratorium.¹

REPs have already made *three* formal requests to the Commission for emergency action and relief from the DNP moratorium which effectively requires REPs to purchase power to serve customers who do not pay their electric bills. The competitive industry cannot last long if this untenable situation continues.

We joined a group of REPs in a Third Request for Emergency Action² with the hope that the new Commission would act at its May 6 Open Meeting to return our industry to a semblance of normalcy. In that Third Request, REPs pointed out that the moratorium on disconnection was created by an exception to 16 TAC §25.483(c) which relates to disconnection of a customer for nonpayment. The Commission's procedural rule §22.5 grants the Commission the right to suspend the operation of one or more of the sections of this chapter "if there exists a public emergency or imperative public necessity and the Commission ascertains that suspension will best serve the public interest and will not prejudice the rights of any party." The public emergency ended weeks ago, and the rights of Payless Power and all other REPs continue to be prejudiced. The Commission must act now.

Payless Power is headquartered in Fort Worth where 85 people are employed. We specifically serve 35,000 customers under prepaid plans per Commission rule 25.498. Our prepaid plans have been popular with consumers who may be credit-challenged or simply like the certainty and convenience of prepaid electric service. Prepaid service is a unique feature of the Texas competitive electricity market; it provides consumers with an alternative to paying a very high deposit. While traditional service providers require deposits equal to an amount up to 60 days of summertime usage, prepaid providers are not allowed to collect deposits. Instead, Commission rules limit the upfront payment to

¹ Project No. 51812, *Order Directing Certain Actions and Granting Exceptions to Certain Rules*, February 21, 2021.

² Project No. 51812, *Coalition of Competitive Retail Electric Providers Third Request for Emergency Action*, April 1, 2021.

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start prepaid service to no more than \$75 down, which in most cases covers about 15 days of service. Therefore, prepaid providers are much more exposed to a suspension of disconnections as they only have up to 15 days on hand to “weather-the-storm” during a moratorium.

Young Energy has made prepaid service its business, and it is our only business since 2008. We provide exceptional prepaid service. Most retail energy insiders will tell you how hard it is to be successful in the prepaid space; it takes highly advanced systems, sophisticated business rules, highly trained customer care representatives, and carefully engineered products. We strive every day to provide the consumer with flexible payment terms, unique messaging coordinated in text, email, voice and paper mail mediums, and honest straight-forward non-gimmicky electric service. Yet lack of Commission attention to the current disconnection moratorium threatens our business.

REPs have experienced moratoriums on DNP's due to emergency conditions before. These previous moratoriums have lasted a few days – *but we have never before had to continue to provide power to non-paying customers for eleven weeks and counting*. The present situation is untenable and probably unlawful. The normal rules have been interrupted by a suspension that has lasted almost three months without any response from regulators and no direction as to how much longer lawfully enacted rules will be ignored.

We were sadly disappointed when there was not even a discussion of this issue at the May 6 Open Meeting. Hopefully, this was an oversight and not indifference to the Commission-created situation which threatens the viability of our business, as well as threatening the financial health of many other REPs in the marketplace.

Please consider and grant the Coalition of Competitive Retail Electric Providers' Third Request for Emergency Action on or before your May 21 Open Meeting so that further damage to the competitive marketplace can be avoided.

Sincerely,

A handwritten signature in black ink, appearing to read 'B. Young', written over a horizontal line.

Brandon Young, CEO

cc: Mr. Thomas Gleeson, Executive Director (via email)
Ms. Connie Corona, Director of Competitive Markets (via email)