

STATE OF VERMONT
PUBLIC UTILITY COMMISSION

Case No. 23-2671-PET

Vermont Department of Public Service request for two-month utility disconnect moratorium	
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Order entered: 08/17/2023

**ORDER GRANTING TEMPORARY, TWO-MONTH MORATORIUM ON
INVOLUNTARY ELECTRIC AND NATURAL GAS UTILITY SERVICE DISCONNECTIONS**

In this Order the Vermont Public Utility Commission (“Commission”) establishes a temporary, two-month moratorium on involuntary electric and natural gas utility service disconnections for residential and commercial customers who have suffered flood-related damage or who otherwise are experiencing economic hardship caused by the recent catastrophic flooding that is compromising their ability to pay their utility bills.

On August 7, 2023, the Vermont Department of Public Service (“Department”) filed a petition requesting that the Commission place a temporary, two-month moratorium on involuntary electric and natural gas utility service disconnections. In its petition, the Department explained that the disconnection moratorium is necessary to assist Vermonters who are still struggling with post-flood cleanup after the record-breaking torrential rainfall and catastrophic flooding that occurred on July 10-11, 2023.¹ The Department cited to conversations with Jan Demers, Executive Director for Champlain Valley Economic Development Opportunity, and Sue Minter, Executive Director of Capstone Community Action. Executive Director Demers stated that a two-month moratorium on disconnection “would be far reaching and help families get on their feet again,” and Executive Director Minter noted that the Capstone offices located in Barre, Morrisville, and Randolph are receiving a high volume of electric disconnect calls from Vermonters affected by the flooding and emphasized the necessity of electricity “to run vacuums, dehumidifiers, fans, and the like to dry basements and first floors and that the lack of electricity leads to mold, which accumulates rapidly.”²

¹ On July 9, 2023, Governor Scott issued a state of emergency for Vermont in anticipation of the pending storm.

² Department Petition at 1.

On July 26, 2023, the Department issued a “call-to-action” to all Vermont regulated energy and efficiency utilities to aid Vermonters with flood recovery. Then, on August 4, 2023, in the spirit of the call-to-action, the Department reached out to the Vermont energy distribution utilities to seek their voluntary participation in a two-month moratorium on disconnections beginning August 7, 2023.³ In its August 7, 2023, petition, the Department reported that it had heard from Vermont Gas Systems and almost all the electric distribution utilities and that they were supportive of and agreed to participate in a two-month moratorium on involuntary electric and natural gas utility service disconnections beginning August 7, 2023.⁴ The Department stated that a Commission order formalizing the disconnection moratorium “would be extremely valuable as a legal basis for other advocacy the Department is pursuing to obtain emergency relief to off-set any rate pressure arising from the moratorium.”⁵

On August 9, 2023, the Department filed a letter clarifying that the requested moratorium should be limited to residential and commercial customers who have suffered flood-related damage or who otherwise are experiencing economic hardship caused by the recent flooding events that is compromising their ability to pay their utility bills.

On August 10, 2023, the Commission issued information requests to the Department and utilities requesting further information on the implementation and enforcement of the moratorium.

On August 11, 2023, the Department filed its response.

On August 14, 2023, Green Mountain Power Corporation, Vermont Gas Systems, Inc., Washington Electric Cooperative, Inc., Vermont Electric Cooperative, Inc., Vermont Public Power Supply Authority (“VPPSA”), and the Town of Stowe Electric Department (“Stowe Electric”) filed a joint response (the “Joint Utility Response”). Additionally, the City of Burlington Electric Department (“BED”), the Village of Hyde Park Electric Department (“Hyde Park”), VPPSA, and Stowe Electric filed individual responses.

³ The moratorium would not apply to premises where disconnection is necessary for safety purposes.

⁴ As of the filing of its petition, the Department had heard from all Vermont electric distribution utilities, except for Enosburg Falls Inc. Water & Light Department, the Village of Jacksonville Electric Department, and the Village of Northfield Electric Department.

⁵ Department Petition at 2.

The Department and utilities all expressed support for a limited moratorium, explained that the utilities are already fairly and efficiently implementing a limited moratorium, and that a statewide moratorium would be harmful.

Regarding implementation of a limited moratorium, the Department and utilities explained that the affected individuals and businesses are identifiable and relatively limited when compared to the number of electric and natural gas customers statewide.⁶ The utilities have already been working directly with affected customers due to service interruptions from the flooding and the need to reenergize customers. When a customer seeks application of the moratorium, the utilities generally will not require customers to submit proof or documentation, but rather they will rely on self-declaration. In instances in which a customer claims flood impacts, but the customer is not located in an area known to have experienced flooding, the utility may request additional information on a case-by-case basis (*e.g.*, a letter from a landlord, or a copy of a FEMA or insurance letter) and reserves the right to inspect the premises if the customer claims their premises was affected by the flooding.⁷ Importantly, in those cases in which a utility requests more than a self-declaration, the utility will not disconnect a customer before giving the customer an opportunity to respond and completing its assessment.

Regarding disputes over whether a customer qualifies for the limited moratorium, the Department and utilities responded that the utilities do not anticipate many disputes, as they have already been working with their customers since the flooding events with limited disputes to date. In the event a dispute arises, the utilities will not disconnect the customer while the dispute is pending and will use their existing internal dispute processes for resolving disconnection disputes. Additionally, as with any disconnection dispute, the Department's Consumer Advocate and Public Information office can assist, and the Commission can investigate, if necessary.

As to the harm of a statewide moratorium, the Joint Utility Response provided the following explanation:

⁶ Some utility service territories, including the Village of Swanton Electric Department, the Village of Northfield Electric Department, the Village of Jacksonville Electric Department, the Village of Hyde Park Electric Department, Stowe Electric, and BED suffered little to no impacts from the flooding and therefore, have few to no customers to which the limited moratorium would apply.

⁷ The Commission notes that a letter from an employer would also be appropriate supporting documentation in cases in which a customer lives in a home unaffected by the flooding but works at a business that was affected.

A statewide moratorium is not needed to avoid the risks of identifying eligible customers and resolving any disputes that may arise and would instead be harmful. It would set back the overall economic recovery ongoing since the pandemic, where all utilities saw spikes in unpaid balances that have taken months to help customers lower their debts, even with robust statewide relief available. When customers fall behind in payments, they can quickly find themselves in a cycle of building debt that is hard to stop. The disconnection process, with its multiple points of contact, provisions for payment plans when needed, and clear rules, provides a way to engage with customers who are having financial difficulty. A statewide moratorium would not match the targeted relief funding that is or may become available to those directly affected by the flooding; instead, customers not affected by the flooding likely will fall behind and have no potential source to catch up, thereby worsening the unpaid debt balances that all customers eventually shoulder.⁸

Section 209(a)(3) of Title 30 of the Vermont Statutes Annotated grants the Commission the authority to issue orders to ensure that utility business conduct promotes the “safety, convenience, and accommodation of the public.” Furthermore, Commission Rule 2.406(B)(4) provides authority for the Commission to issue a temporary restraining order when “substantial, immediate, and irreparable injury, loss or damage, or danger to health or safety will result before a hearing can be held upon proper notice.”⁹ We find that the extreme July flooding has created circumstances that necessitate a disconnection moratorium, issued in accordance with the foregoing authorities, to ensure Vermonters have electric and natural gas service so they can do the work needed to repair and rebuild their homes and businesses and to assist Vermonters experiencing economic hardship due to the floods. Considering the emergency nature of the current situation and the need for immediate action, we conclude that the processes for implementing and resolving disputes regarding a limited, rather than a statewide, moratorium provide adequate safeguards to prevent abuse of the limited moratorium by customers and utilities.

⁸ Joint Utility Response at 2-3.

⁹ The disconnection moratoriums resulting from the COVID-19 pandemic were issued pursuant to the same authority. *See e.g., Vermont Legal Aid request for moratorium on utility and telecommunications shutoffs during State of Emergency*, Case No. 20-0703-PET, Order of 3/18/20 at 2. Additionally, while Rule 2.406(B) ordinarily requires affidavits or a verified petition, we waive this requirement in light of the emergency situation presented to us. Further, we note that the findings made in today’s Order, while not separately stated in their own section, are findings of fact as that term is used in Commission Rule 2.406(E)(5).

This temporary moratorium is effective immediately and forbids the involuntary termination or disconnection of electric and natural gas service between now and October 7, 2023, for residential and commercial customers who have suffered flood-related damage or who otherwise are experiencing economic hardship caused by the recent catastrophic flooding that is compromising their ability to pay their utility bills.¹⁰ The utilities are directed to implement the moratorium consistent with their responses to the Commission's August 10, 2023, information request.

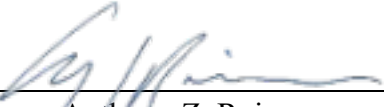
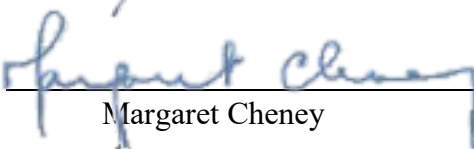
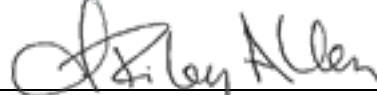
To provide an opportunity to better inform the situation going forward, we ask those interested in doing so to file comments on the temporary moratorium—including whether the moratorium should be extended and, if so, for how long, and what further process should be undertaken going forward—by no later than September 25, 2023. If any of the affected utilities or any other party objects to this temporary moratorium or wishes to request a hearing or any other further process related to the impacts of the flooding, those objections, requests, and related motions must be filed by August 28, 2023.¹¹

This case is being processed in the Commission's online document management system, known as ePUC, which can be accessed at <http://epuc.vermont.gov>. Information about how to use ePUC, including how to make a filing and how to search for documents, is available on the Commission's website at <http://puc.vermont.gov/epuc-information>.

¹⁰ Nothing in this Order relieves customers of their obligation to pay what is due to their utilities. This Order only affects the utilities' ability to disconnect customers for non-payment.

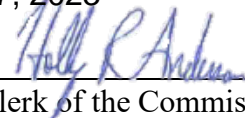
¹¹ If a hearing is requested, it will be held within 45 days of this Order, and we will issue a decision on preliminary or permanent relief within 60 days of this Order, in accordance with Commission Rule 2.406(C).

Dated at Montpelier, Vermont this 17th day of August, 2023.

 _____)) PUBLIC UTILITY)) COMMISSION) OF VERMONT
Anthony Z. Roisman)	
_____)	
 _____)) COMMISSION)) OF VERMONT
Margaret Cheney)	
_____)	
 _____)) OF VERMONT)
J. Riley Allen)	

OFFICE OF THE CLERK

Filed: August 17, 2023

Attest: 

 Clerk of the Commission

Notice to Readers: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Commission (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: puc.clerk@vermont.gov)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Commission within 30 days. Appeal will not stay the effect of this Order, absent further order by this Commission or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Commission within 28 days of the date of this decision and Order.

PUC Case No. 23-2671-PET - SERVICE LIST

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