Delivered by Electronic Mail

The Honorable L. Louise Lucas  
President Pro Tempore  
Senate of Virginia  
Pocahontas Building, Room E604  
900 East Main Street  
Richmond, Virginia 23219

The Honorable Eileen Filler-Corn  
Speaker of the Virginia House of Delegates  
Pocahontas Building, Room E605  
900 East Main Street  
Richmond, Virginia 23219

Subject: Disconnection of Service Moratorium

Dear Senator Lucas and Delegate Filler-Corn:

On March 16, 2020, the State Corporation Commission ("Commission") issued an order in Case No. PUR-2020-00048 suspending disconnection of utility services and suspending tariff provisions regarding utility disconnections of services due to the COVID-19 crisis ("Disconnection Moratorium"). Subsequently on June 12, 2020, the Commission issued an order ("June Order") extending the Disconnection Moratorium until August 31, 2020. Due to the continuing nature of the COVID-19 pandemic, the Commission's order stated, "...we will extend the current moratorium to allow time for the General Assembly to meet in special session to address the COVID-19 crisis in a more comprehensive manner."

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1 The Commission's June Order noted that, "Our purpose since our original order of March 16th imposing a moratorium on service shut-offs has been to protect Virginia's utility customers who, through no fault of their own, have been the victims of the devastating economic consequences of the COVID-19 pandemic, while recognizing that an unlimited moratorium is not sustainable without government actions to protect other customers from cost-shifting."

2 As the Commission's June Order stated, "We emphasize that utility regulation alone cannot adequately address what is a much broader socioeconomic catastrophe."
In an effort to gather utility-specific data regarding the impact of COVID-19, the Commission's June Order requested that the regulated utilities provide information concerning (i) disconnections due to non-payment for services, and (ii) financial impacts due to suspension of service disconnections. As directed, many utilities are providing us monthly information concerning past due balances owed by customers.

The Commissioners directed us to provide you the following summary of information we received from utilities in response to the June Order:

1. The following electric cooperatives have sought and received Commission approval to obtain loans through the federal Paycheck Protection Plan: A&N, BARC, Central Virginia, Community, Mecklenburg, Northern Neck, Northern Virginia, Rappahannock and Shenandoah Valley.

2. Below is a sample of the past due amounts owed by customers to utilities regulated by the Commission as of June 30, 2020 accumulating during the suspension of disconnections:

   Dominion Energy Virginia  $116.6 million
   Appalachian Power Company  $20.8 million
   Kentucky Utilities         $5.6 million
   Washington Gas Light       $14.0 million
   Virginia Natural Gas       $6.9 million
   Columbia Gas of Virginia   $6.4 million (total company)
   Roanoke Gas Company        $611,966
   Northern Virginia Electric Cooperative $3.9 million
   A&N Electric Cooperative   $791,619
   Mecklenburg Electric Cooperative $834,271
   Rappahannock Electric Cooperative $7.3 million
   Prince George Electric Cooperative $288,411

3. The following utilities have established extended payment plans for customers whose accounts are in arrears: Dominion Energy Virginia, Appalachian Power Company, Kentucky Utilities, Virginia Natural Gas, Roanoke Gas, Columbia Gas of Virginia, Washington Gas Light, Virginia-American Water Company, Aqua Virginia, Massanutten Water and all electric cooperatives.

   Staff spoke to several utilities about the level of the June 30, 2020 past due balances. The utilities represented that these balances are higher than normal. For your information, several utilities provided past due balance information to Staff and requested confidential treatment of such information.
The information above is provided for your consideration during the Special Session. Please let us know if we can provide you any additional assistance or information.

Sincerely,

Kimberly B. Pate
Director Utility Accounting and Finance

cc: Members, Senate of Virginia
   Members, Virginia House of Delegates