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VIA EMAIL ONLY
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Advice Letter 165-E
(U 933-E)

California Public Utilities Commission
Energy Division, Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, CA 94102-3298

**Subject: Liberty Utilities (CalPeco Electric) LLC (U 933-E) – Transition Plan for
Extension of Emergency Disaster Relief Program for COVID-19**

Purpose

Liberty Utilities (CalPeco Electric) LLC (“Liberty”) hereby submits this Advice Letter in accordance with California Public Utilities Commission (“Commission”) Resolution M-4849, issued February 11, 2021. Authorization and Order directing investor-owned utilities (IOUs) to extend emergency customer protections to support California customers through June 30, 2021, and to file transition plans for the expiration of the emergency customer protections.

Background

In Decision (D.) 19-07-015, the Commission established a permanent set of minimum emergency disaster customer protection measures that the utilities are mandated to implement in the event of a declared emergency. Pursuant to Ordering Paragraph (OP) 9, emergency disaster customer relief protections shall apply to utility customers in areas affected by a disaster declared a state of emergency by the Governor of California or the President of the United States. Consistent with D.19-07-015 OP 9, when a disaster has either resulted in the loss or disruption of the delivery or receipt of utility service and/or resulted in the degradation of the quality of utility services, the utilities must submit a Tier 1 Advice Letter with the Commission’s Energy Division within 15 days of a governor’s state of emergency declaration or a presidential state of emergency proclamation reporting compliance with the Decision’s mandated emergency disaster customer relief protections.

I. TRANSITION PLAN INTRODUCTION

On March 4, 2020, Governor Gavin Newsom declared a State of Emergency¹ in California as part of the state’s response to address the global outbreak of COVID-19. On March 16, 2020, Governor Newsom issued Executive Order N-28-20,² requesting that the Commission monitor the measures by public and private utility providers to implement customer service protections in response to COVID-19. On March 17, 2020, Commission Executive Director Alice Stebbins directed utilities to submit advice letters implementing the applicable Emergency Disaster Relief Program (“EDRP”) customer protections set forth in D.19-07-015 and to apply such protections retroactively to March 4, 2020, when the State of Emergency was declared.

On March 15, 2020, Liberty temporarily suspended service disconnections across its service territory. Two days later, the Commission Executive Director instructed utilities to extend the “applicable customer protections directed in D.19-07-015” to customers in response to the COVID-19 pandemic. Pursuant to this letter, Liberty implemented the applicable customer protections contained in D.19-07-015 for customers during the COVID-19 emergency.

On March 24, 2020, Liberty filed a Tier 1 Advice Letter, AL 139, describing the implementation of the emergency disaster relief program for COVID-19 in accordance with D. 19-07-015. This included the community awareness and public outreach measures the Company implemented to notify customers, local government representatives, and community leaders of the Emergency Protections, and the additional steps the Company is taking including, among other things, suspending terminations of electric service for nonpayment.

On April 16, 2020, the Commission issued Resolution M-4842, ratifying the directives issued by the Executive Director on March 17, 2020, and to retroactively apply the Emergency Protections from March 4, 2020. Resolution M-4842 also required commission-regulated utilities to identify any customer protections set forth in D. 19-07-015 that are not applicable during the COVID-19 pandemic, and to provide justification as to why they are not applicable.

On July 23, 2020, Liberty filed AL 139-B, implementing additional customer protections and establishing a COVID-19 Pandemic Protections Memorandum Account. Currently, customer protections approved in AL 139-B are set to expire in March 2021.

On February 11, 2021, in response to extraordinary circumstances and the ongoing state of emergency related to the COVID-19 pandemic, the Commission issued Resolution M-4849, extending the Emergency Protections for residential and small business customers through June 30, 2021. Resolution M-4849 also extends the memorandum accounts established and/or activated for the purpose of tracking the incremental costs of complying with the Commission’s resolution, and requires IOUs to file Tier 1 advice letters describing all reasonable and necessary actions to extend the emergency Protections through June 30, 2021. To demonstrate compliance, Liberty filed AL 164 on February 22, 2021.

¹ Available at <https://www.gov.ca.gov/2020/03/04/governor-newsom-declares-state-of-emergency-to-help-state-prepare-for-broader-spread-of-covid-19/>.

² Available at <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.16.20-Executive-Order.pdf>.

Additionally, Resolution M-4849 requires IOUs to file a Tier 2 AL outlining their transition plans associated with discontinuance of the Emergency Customer Protections after June 30, 2021. Specifically, Ordering Paragraphs 5 and 6 state:

5. Electric, gas, and water corporations subject to this Resolution shall each file Tier 2 Advice Letter with their transition plans for the expiration of Emergency Customer Protections by April 1, 2021. The transition plans shall include 1) a timeline of new start and resumed activities, 2) a marketing, education and outreach (ME&O) strategy, 3) an explanation of the activities timeline and ME&O strategy accounts for compliance and safety, and 4) a progress tracking and reporting plan. The goal of the transition plan is to proactively enroll customers in programs to manage their utility bills and inform relevant customers of the changes to programs they are already on, to effectively ease customers through a transition off of Emergency Customer Protections (and, in the case of water IOUs, the future expiration of the disconnect moratorium in the Governor's Executive Order N-42-20).
6. By February 25, 2021, electric, gas, and water corporations subject to this Resolution shall submit drafts of Transition Plan Advice Letters to CPUC staff (Gillian.Weaver@cpuc.ca.gov), who will share them with the LIOB.

When the pandemic began to adversely impact California, Liberty voluntarily implemented a disconnection moratorium for its residential and business customers. Liberty also put in place additional customer protections, such as extending payment arrangements, and enacted other measures designed to ensure that customers continue to receive electric service regardless of their payment status. In compliance with the March 17, 2020 Letter from the Commission's Executive Director and Resolution M-4842, Liberty filed ALs 139-E and 139-E-B on March 24, 2020 and July 23, 2020 respectively, confirming compliance with the specific emergency protections and outreach activities in light of the pandemic.

Currently, California's COVID-19 daily diagnosis statistics remain high, and many businesses are not operating at full capacity which means that the economy is still exhibiting a downturn. However, the situation has improved since March 2020 in that the Governor, has lifted the most regional stay at home order directive and permitted the reopening of businesses. Of significance, California's unemployment numbers have improved from 15.5% in April 2020 to 9.0% in December 2020. As the pandemic and economic situation has evolved, so does the need to evolve from the emergency customer protections. Other states have moved or are transitioning from disconnection moratoriums and COVID-19 relief protections and have designed transition plans to assist those payment troubled customers with maintaining utility service. Similarly, the California Public Utility Commission has recognized the need to evolve from the COVID-19 Emergency Customer Protections.

Resolution M-4849 requires electric IOUs to design a transition plan for the expiration of the Emergency Customer Protections. The transition plan is "to facilitate a smooth transition for customers when the Emergency Customer Protections are lifted." The electric IOUs are directed

to “design the transition plan to effectively ease customers through a transition off of the Emergency Customer Protections.” The transition plan must include: “1) a timeline of new activities and resumed activities, 2) a marketing, education, and outreach (ME&O) strategy, 3) an explanation of how the activities timeline and ME&O strategy account for compliance and safety, and 4) a progress tracking and reporting plan.” The goal of the transition plan is to proactively enroll customers in programs to manage their utility bills and inform relevant customers of the changes of programs they are already on.

Recognizing the Commission’s goal to effectively transition customers off customer protections, Liberty proposes the following transition plan (“Transition Plan” or “Plan”) that contemplates the resumption of normal business activities, including disconnections for non-payment as of June 30, 2021.

Liberty recognizes the impact the pandemic has had on our customers, including the newly unemployed, our most vulnerable customers and small businesses, and Liberty Park water has worked to promote relief options to assist customers facing financial hardship. From the beginning of this pandemic, Liberty has remained committed to helping customers navigate uncertainty and economic hardship. With this Transition Plan, Liberty’s goal is to implement a plan that can assist customers to effectively transition for the short term. However, none of us know how long we are going to have to live with this pandemic or its economic consequences.

Liberty will monitor state and local COVID-19 health orders and governmental directives, and reserves the right, in consultation with Energy Division, to postpone implementation of provisions of this Plan as necessary to ensure the safety of Liberty’s employees, customers and the general public.

Liberty proposes the following transition plan (“Transition Plan” or “Plan”) that contemplates the resumption of normal business activities, including disconnections for non-payment as of June 30, 2020.

II. ACTIVITIES TIMELINE

A. Resumption of Disconnections for Non-Payment

60 days prior to Disconnection Policy Resumption Date – Liberty will begin sending out notices to customers informing them that the electric utility will resume applying standard disconnection procedures under its tariffs on a Disconnection Policy Resumption Date. All residential and small business customers who have arrears at the time of the communication that could subject them to disconnection, including CARE customers, will be mailed or emailed this letter, depending on the customer’s indicated preference reminding them of the need to stay current on their bills and providing information on how to contact Liberty to enroll in available programs, if needed. The communication will inform the customer that they are at risk of disconnection after the moratorium is lifted and indicate a general time range when the customer will likely be disconnected unless the customer takes appropriate steps.

Disconnection Policy Resumption Date – Liberty will resume standard disconnection procedures pursuant to its tariffs and will begin counting the 26-day period for bills that are delinquent (past the due date) as of the Disconnection Policy Resumption Date. Liberty will follow standard noticing procedure (via letter, email, and proactive outbound calls) for each customer that has a delinquent bill as of the Disconnection Policy Resumption Date and will offer an opportunity to participate in an amortization agreement, alternative payment schedule, or a plan deferred or reduced payment (the type of payment assistance plan will be determined by Liberty based upon the specific circumstances of the individual customer). If a customer is engaged in a special payment arrangement and is making timely payments under that plan, they will not be disconnected.

26 days after Disconnection Policy Resumption Date – Liberty may begin disconnecting customers for non-payment pursuant to the applicable tariff rules and standard noticing procedure has been completed. In addition, notices provided will mention the special payment arrangements made available to all residential customers.

B. Liberty Standard Noticing Procedure

During the below interactions, Liberty also will provide information to customers with respect to low-income assistance programs and payment assistance plans.

- **15 Day Notice Letter** – to be served as soon as 8 days after due date of bill.
- **48 Hour Notice Letter** – to be served as soon as 10 days after 15 Day Notice Letter mail date.
- **48 Hour Door Hanger** – to be served as soon as 5 days after 48 Hour Notice Letter mail date.
- **Disconnection for Non Pay** – to be completed as soon as 3 days after 48 Hour Door Hanger has been hung on premises.

At Least 10 Calendar Days Before Disconnection – Where electric service is provided to residential users through a master meter, Liberty shall make every good faith effort to inform the actual users of the electric service when the account is in arrears that service will be terminated in 10 days.

At Least 24 Hours Before Disconnection – A final notice is required to be served at least 24 hours prior to the termination of service pursuant to the applicable tariff rules.

Liberty will continue to follow its Rule 11 as it relates to certain customers. Rule 11 states that a domestic customer will not be terminated for non-payment when the customer has established to the satisfaction of the company that:

- a) Such termination would be especially dangerous to the health of the customer or a full time resident of the customer's household; or

- b) The customer or a full time resident of the customer's household is among the elderly (age 62 or older) or disabled; and
- c) He or she is temporarily unable to pay for such service in accordance with the provisions of the Company's Tariffs; and
- d) The customer is willing to arrange installment payments, satisfactory to the company, including arrangements for prompt payment of subsequent bills.

There will be substantial opportunity for customers to interact with Liberty for making payment arrangements to maintain their utility service, and thus avoiding disconnection. This opportunity for interaction is important because through the disconnection moratorium Liberty has offered payment arrangements. Liberty intends to continue to offer payment arrangements once the disconnection moratorium is lifted and the emergency customer protections expire.

C. Resumption of Verification/Recertification of Eligibility for CARE

June 1, 2021 – Liberty will begin sending out written notices to all CARE customers informing them that Liberty may resume applying the standard CARE eligibility verification and recertification requirements under its tariffs on July 1, 2021.

July 1, 2021 – Liberty may resume standard eligibility verification and recertification procedures for CARE customers.

D. Late Payment, Reconnection, or Other Customer Fees

June 1, 2021 – Liberty will begin sending out written notices to all customers informing them that Liberty may resume applying the standard late payment, reconnection or other customer fee procedures under its tariffs on July 1, 2021.

July 1, 2021 – Liberty may resume applying standard late payment, reconnection, or other customer fees to customer accounts.

III. MARKETING, EDUCATION, AND OUTREACH STRATEGY

The following Marketing, Education, and Outreach (“ME&O”) Strategy supports the Transition Plan in effectively easing customers through a transition off of the Emergency Customer Protections (and the future expiration of the disconnection moratorium in the Governor’s Executive Order N-42-20) by proactively communicating with customers to enroll them in programs to manage their utility bills and informing them of the changes to programs in which they are already enrolled. The Strategy was developed with a customer-impact lens and is part of a coordinated and effective marketing, education and outreach program.

A. Target Audiences

The ME&O Strategy is intended to reach customers at large, with specifically targeted categories of customers as follows:

- Customers enrolled in bill management programs

- Customers with arrears
- Customers on assistance programs

B. ME&O Activities for All Customers

Liberty will inform customers of the end of the customer protections and disconnection moratorium after June 30, 2021. Liberty will focus communications on available customer assistance programs and financial assistance opportunities to motivate willing and eligible customers at risk of disconnection to enroll and/or recertify as soon as possible. Liberty remains mindful of the significant hurdles the pandemic has brought about and will continue to prepare to pivot and adjust timing and planning as necessary. Liberty will utilize the following implementation tools: bill inserts, customer service talking points and training, phone messaging prompt (i.e., during welcome/on-hold messages), and office signage (when re-opened to the public).

Liberty plans to continue its communication efforts that have been utilized throughout the pandemic and build on its outreach efforts to add focused support and communication for customers with past-due balances. Liberty will also provide multi-lingual and multi-channel communications to drive awareness of upcoming changes in customer protections and provide access to support programs and resources to help ease the listing of customer protections.

Liberty's goal is to provide support to customers during what remains a very difficult and challenging time. Liberty respectfully reserves the right to alter its marketing campaign timing based on the current pandemic and other unforeseen factors.

C. Targeted Outreach

In addition, Liberty will undertake proactive outreach to targeted customers and may include the following, as appropriate:

- Phone calls (automated or manual) targeted at specific audiences
- Emails or direct mail targeted at specific audiences
- Company Website
- Social media
- News releases to local media
- Virtual community meeting
- Direct contact at customer residence (i.e., door tags)
- Materials in multiple languages
- Advertising (print, social media, or other)

Targeted outreach will convey the following information, as appropriate:

- Needed customer actions, including re-certifications, to remain eligible for programs
- Payment plans and options available to help customers maintain service or manage arrearages
- Bill assistance programs
- Application of late-payment, reconnection, and other fees to a customer
- Noticing of risk of disconnection

D. Partnerships

Liberty will perform an additional data exchange with the energy IOUs in 2021.

E. Incremental ME&O Costs

Resolution M-4849 provides that “If an IOU estimates that it cannot both comply with this Resolution and maintain compliance with existing Decision mandates leveraging only existing authorized budgets, it shall note in its Advice Letter the cost estimate, with details of the incremental new activity, and use the memorandum account to record and track incremental costs associated with transition plan implementation.” Liberty plans to utilize existing authorized programs from the ME&O costs.

IV. COMPLIANCE AND SAFETY

A. Alignment with Program Enrollment Targets and Requirements

Liberty filed AL 139-E on March 24, 2020, describing the Emergency Protections adopted for employees and customers impacted by the COVID-19 pandemic. Additionally on May 1, 2020 Liberty filed AL 139-E-A detailing the additional protections for employees and customers and establishing a COVID-19 Pandemic Protections Memorandum Account. These protections will be applied retroactively to March 4, 2020, and are made available to all customers affected by COVID-19:

1. Implement payment plan options for residential customers;
2. Suspend disconnection for non-payment and associated fees;
3. Waive deposit and late fee requirements;
4. Suspend all CARE and FERA program removals to avoid unintentional loss of the discounted rate during the period for which the customer is protected under these customer protections; and
5. Discontinue generating all recertification and verification requests that require customers to provide their current income information.

In compliance with Resolution M-4849, Liberty filed AL 165-E on February 22, 2021, extending the emergency customer protections to June 30, 2021.

B. Ensuring that Activities are Safe and Consistent with All Appropriate State and Local Health Orders

In addition to the customer protection measures and customer outreach plan described above, Liberty has implemented the following protective measures to safeguard the health and safety of its employees and customers:

1. Liberty has a pandemic preparedness plan in place and established a task force that is working with guidance from the Centers for Disease Control and Prevention (“CDC”). This task force has spent several weeks preparing for how the virus might impact the organization and communities served and how to respond appropriately.
2. Liberty continues to monitor the situation and actively shares updates and information with employees (weekly or more often as needed), so they can keep themselves, their families, and their community safe.
3. Liberty has deployed social distancing policies and identified key staff and separated them. Liberty has instituted a remote workplace separation program for those business functions for which this is practicable.
4. Liberty has implemented deep cleaning of offices by a third-party disinfection service.
5. Liberty has provided customer service representatives and field personnel with masks, gloves, and additional protective supplies and requires social distancing of at least six feet for interactions with customers.
6. Liberty has limited employee travel, suspended in-person meetings, and postponed larger gatherings and events.
7. Liberty requires employees to follow the CDC recommendations on personal safety, such as frequent hand washing and distancing from others.
8. Liberty requires employees who feel sick or have concerns regarding potential exposure to stay at home.

V. PROGRESS TRACKING AND REPORTING

Resolution M-4849 requires Liberty to include a plan for reporting metrics on activities in the timeline, and present metrics we will track and report to monitor success in achieving the goal of effectively easing customers through the transition off of Emergency Customer Protections.

The table below provides an outline of Liberty’s proposed metrics to track and report.

Progress Metrics	
Customer retention post June 30, 2021	Enrollments of impacted customers in new programs:
Percentage of customers that complete re-certification for <ul style="list-style-type: none"> ○ CARE ○ Medical baseline program Percentage of customers that complete post-enrollment verification for <ul style="list-style-type: none"> ○ CARE 	Number of new enrollments in CARE Number of new enrollments in Medical baseline program

Effective Date

Pursuant to Commission Resolution M-4849, Liberty requests that this Tier 2 Advice Letter be effective May 1, 2021.

Protests

Anyone wishing to protest this Advice Letter may do so by letter sent via U.S. mail, by facsimile or by email, any of which must be received no later than April 21, 2021, which is 20 days after the date of this Advice Letter. There are no restrictions on who may submit a protest, but the protest shall set forth the grounds upon which it is based and shall be submitted expeditiously.

Protests should be mailed to:

California Public Utilities Commission
 Energy Division, Tariff Unit
 505 Van Ness Avenue, 4th Floor
 San Francisco, CA 94102-3298
 Facsimile: (415) 703-2200
 Email: edtariffunit@cpuc.ca.gov

The protest should be sent via email and U.S. Mail to Liberty at the address shown below on the same date it is mailed or delivered to the Commission:

Liberty Utilities (CalPeco Electric) LLC
 Attn: Advice Letter Protests
 933 Eloise Avenue
 South Lake Tahoe, CA 96150
 Fax: 530-544-4811
 Email: Dan.Marsh@libertyutilities.com

Notice and Service

In accordance with General Order 96-B, Section 4.3, a copy of this Advice Letter is being sent electronically to parties shown on the G.O. 96-B service list. In accordance with Resolution M-4849, a copy is also being sent to parties on the various service lists listed below. During the COVID-19 pandemic, Liberty can only provide electronic copies of this advice letter to the service lists.

If additional information is required, please do not hesitate to contact me.

Respectfully submitted,

LIBERTY UTILITIES (CALPECO ELECTRIC) LLC

/s/ Daniel W. Marsh

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