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April 17, 2020

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

EXECUTIVE DIVISION

San Francisco, California
Date: April 16, 2020
Resolution M-4842

R E S O L U T I O N

EMERGENCY AUTHORIZATION AND ORDER DIRECTING UTILITIES TO IMPLEMENT EMERGENCY CUSTOMER PROTECTIONS TO SUPPORT CALIFORNIA CUSTOMERS DURING THE COVID-19 PANDEMIC

SUMMARY

The Commission issues this Resolution on its own motion in response to Governor Gavin Newsom's declaration of a state of emergency and issuance of executive orders due to the novel coronavirus (COVID-19) pandemic. This Resolution ratifies directions provided by the Commission's Executive Director on March 17, 2020 to energy, water and communications corporations to retroactively apply customer protection measures from March 4, 2020 onward – during the pendency of the COVID-19 pandemic.[1]

Specifically, this Resolution orders electric, gas, communications, and water and sewer corporations in California to file a Tier 2 Advice Letter describing all reasonable and necessary actions to implement the Emergency Customer Protections contained in this resolution to support California customers; and authorizes the electric, gas, communications, and water and sewer corporations to establish memorandum accounts to track incremental costs associated with complying with this resolution. The Emergency Customer Protections apply to customers for up to one year from the date of this resolution.

[1] https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/News_Room/NewsUpdates/2020/Exec%20Director%20Letter%20to%20Energy%20Companies%20re%20COVID19%20March%2017,%202020.pdf;
https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/News_Room/NewsUpdates/2020/Exec%20Director%20Letter%20to%20Water%20Companies%20re%20COVID-19%20March%2017,%202020.pdf
https://www.cpuc.ca.gov/uploadedFiles/CPUCWebsite/Content/News_Room/NewsUpdates/2020/Exec%20Director%20Letter%20to%20Communications%20Companies%20re%20COVID-19%20March%2017,%202020.pdf

BACKGROUND

On March 4, 2020, Governor Newsom declared a State of Emergency in California related to COVID-19; there were 53 known cases of COVID-19 in California, and officials expected the number of cases to increase.[2]

The Governor has taken additional actions, including:

- Issuing a new Executive Order[3] recognizing that individuals exposed to COVID-19 may be unable to report to work due to illness or quarantines, and ordering numerous measures including social distancing;
- Issuing an Executive Order[4] requesting that the Commission monitor the measures undertaken by public and private utility providers to implement customer service protections in response to COVID-19;
- Issuing a statewide shelter-in-place order directing Californians to remain in their homes except to meet essential needs;[5] and
- Deploying the California National Guard to assist California's food banks, which have been affected by a drop in volunteers and a disruption to the food distribution infrastructure.[6]

By April 1, 2020, the number of confirmed COVID-19 cases in California had risen to 9,191, with 203 deaths.[7] The situation is rapidly evolving, and the number of confirmed cases is predicted to continue rising.

Some companies have already implemented emergency protections in response to the COVID-19 pandemic, including but not limited to:

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[2] https://www.gov.ca.gov/2020/03/04/governor-newsom-declares-state-of-emergency-to-help-state-prepare-for-broader-spread-of-covid-19/

[3] Executive Order N-25-20, available at https://www.gov.ca.gov/wpcontent/uploads/2020/03/3.12.20-EO-N-25-20-COVID-19.pdf

[4] Executive Order N-28-20, available at https://www.gov.ca.gov/wp-content/uploads/2020/03/3.16.20-Executive-Order.pdf

[5] https://covid19.ca.gov/stay-home-except-for-essential-needs/

[6] https://www.gov.ca.gov/2020/03/20/governor-newsom-deploys-california-national-guard-to-help-distribute-food-at-food-banks-protect-californias-most-vulnerable/

[7] https://www.cdph.ca.gov/covid19

- Observing a moratorium on electric and gas service disconnections for nonpayment and waiving late fees;[8]
- Signing the Federal Communications Commission's Keep Americans Connected Pledge to open wi-fi hotspots and observe a moratorium on internet service disconnections for nonpayment;[9]
- Boosting broadband speeds and lifting data caps.[10]

The Commission takes specific action in this Resolution, in response to the Governor's emergency proclamation and executive orders, to provide continuity and consistency between all utility actions resulting from the COVID-19 pandemic.

DISCUSSION

The response to COVID-19 has been extremely disruptive to all Californians and has impacted many Californians' ability to work. The Commission has dealt with highly disruptive events, most recently with the devastating wildfires in Northern and Southern California. In response to reoccurring natural and manmade disasters, the Commission initiated a disaster relief Rulemaking ((R.) 18-03-011) and adopted a series of requirements for utility companies (electric, gas, water and sewer) and communications providers, culminating in customer protection measures adopted in decisions (D.)19-07-015 and D.19-08-025.

The customer protection measures adopted in R.18-03-011 apply in cases where a gubernatorial or presidential declared emergency relates to the disruption or degradation of service. The COVID-19 pandemic represents a different type of emergency, one where the threat --in this case, a virus-- necessitates a response which impacts Californians' ability to pay for utility service. Social distancing and shelter-in-place requirements have required the closure of non-essential businesses including bars, dine-in restaurants, and shops, and subsequent employee layoffs have created a risk that customers may fall behind on utility payments due to the COVID-19 pandemic at the same time that shelter in place orders will likely cause increased usage of utility services resulting in higher utility bills.

[8] https://www.pge.com/en_US/about-pge/company-information/protective-protocols/covid19.page?WT.mc_id=Vanity_covid19; https://www.sce.com/safety/coronavirus; https://www.sdge.com/coronavirus

[9] https://www.fcc.gov/keep-americans-connected

[10] https://www.consumerreports.org/internet-providers/isps-respond-to-coronavirus-raise-speeds-suspend-data-caps-keep-america-connected-pledge/

Having access to essential utility services is critical to maintaining Californians' health and safety during the COVID-19 pandemic. Therefore, due to the COVID-19 pandemic, the Commission extends to California customers the emergency customer protections from D.19-07-015 and D.19-08-025, through April 16, 2021, with an option to extend. The Commission takes this action in response to extraordinary circumstances and the state of emergency to ensure continuity of essential service to customers during this health and safety crisis. This Resolution does not establish precedent for standard Commission ratemaking or customer protection processes.

All residential and small business customers in California are eligible for the emergency customer protections set forth in this Resolution.

These customer protections are a floor, not a ceiling.[11] As we stated in D.19-07-015 and D.19-08-025, we support and encourage the utilities and communications service providers to do more to help Californians in this time of need.[12] The utilities and communications service providers have the discretion to add additional customer relief efforts that are unique to their customers' experience, or the specific type of damage a customer may suffer from as a result of COVID-19.[13] In addition, we acknowledge that some of the provisions adopted in D.19-07-015 and D.19-08-025 in response to disasters such as earthquakes and wildfires may not apply in the case of a pandemic; for example, the requirement that electric and gas utilities identify the premises of affected customers whose utility service has been disrupted or degraded and discontinue billing these premises without assessing a disconnection charge. If the electric, gas, communication, and water corporations subject to this Resolution believe that specific provisions from D.19-07-015 and D.19-08-025 do not apply during the pandemic, they shall identify such provisions in their Advice Letters and provide a justification for why they believe the provisions do not apply.

Emergency Customer Protections for Electric and Gas Utility Customers

The electric and gas utilities under this Commission's jurisdiction subject to this Resolution are the following: (1) Pacific Gas & Electric Company; (2) Southern California Edison Company; (3) San Diego Gas and Electric Company; (4) Southern California Gas Company; (5) PacifiCorp; (6) Liberty Utilities (CalPECO Electric) LLC; (7) Bear Valley Electric Service (a division of Golden State Water Company); (8) Southwest Gas Corporation; (9) Alpine Natural Gas, Inc.; (10) West Coast Gas Company, Inc.; and (11) Catalina Island Gas Services.

[11] D.19-07-015 at 24-25; *see also* D.19-08-025 at 34.

[12] *Id.*

[13] *Id.*

The electric and gas utilities subject to this Resolution shall take the following immediate actions and file a Tier 2 Advice Letter no later than 15 days after this Resolution's approval demonstrating compliance to the Commission's Energy Division:[14]

(1) waive deposit requirements for residential customers seeking to reestablish service for one year and expedite move in and move out service requests;

(2) stop estimated usage for billing attributed to the time period when a home/unit was unoccupied as a result of the emergency;

(3) identify the premises of affected customers whose utility service has been disrupted or degraded, and discontinue billing these premises without assessing a disconnection charge;

(4) prorate any monthly access charge or minimum charges;

(5) implement payment plan options for residential customers;

(6) suspend disconnection for nonpayment and associated fees, waive deposit and late fee requirements for residential customers;

(7) support low-income residential customers by: (a) freezing all standard and high-usage reviews for the California Alternate Rates for Energy (CARE) program eligibility for 12 months and potentially longer, as warranted; (b) contacting all community outreach contractors, the community based organizations who assist in enrolling hard-to-reach low-income customers into CARE, to help better inform customers of these eligibility changes; (c) partnering with the program administrator of the customer funded emergency assistance program for low-income customers and increase the assistance limit amount for the next 12 months; and (e) indicate how the energy savings assistance program can be deployed to assist customers;

(8) 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;

(9) discontinue generating all recertification and verification requests that require customers to provide their current income information;

(10) offer repair processing and timing assistance and timely access to utility customers pursuant to Section 8386(c)(18);

[14] D.19-07-015 at 21-24.

(11) include these customer protections as part of their larger community outreach and public awareness plans under Section 8386(c)(16)(b);

(12) meet and confer with the Community Choice Aggregators as early as possible to discuss their roles and responsibilities for each emergency customer protection.

To the extent that they have not already done so in response to the Executive Director's March 17, 2020 letter, or to the extent to which their response was not fully responsive to the requirements of this Resolution, we direct electric and gas utilities subject to this Resolution to file Tier 2 compliance Advice Letters with the Commission's Energy Division to implement the ordering paragraphs of this resolution and modify their tariffs as necessary.

In order to allow for recovery of expenses reasonably incurred while complying with this Resolution, electric and gas utilities subject to this Resolution shall each establish a COVID-19 Pandemic Protections Memorandum Account (CPPMA), to book only those costs associated with protections ordered by this Resolution. The recorded costs must meet the following conditions: (1) those ordered by this Resolution; and (2) incurred starting with the date of the Governor's emergency declaration - March 4, 2020. The review of these costs for possible collection in rates will be conducted in a General Rate Case, a Biennial or Triennial (as applicable) Cost Allocation Proceeding, the Energy Resource Recovery Account, or another proceeding. This affords Commission staff an opportunity to review any incremental expense associated with this Resolution.

Finally, in order to provide immediate assistance and customer protections, electric and gas utilities subject to this Resolution must act with expediency in filing their Advice Letters, must request expedited Advice Letter treatment pursuant to the Commission's General Order (GO) 96-B, must request a waiver or a shortened protest and reply period of five days, and must include in their Advice Letters: (1) a communication plan to convey the availability of these protections to customers; and (2) preliminary statement tariff language for the new CPPMA.

Emergency Customer Protections for Water Customers

The water and sewer corporations under this Commission's jurisdiction subject to this Resolution are the following: all Class-A water utilities (California Water Service Company, California American Water Company, Golden State Water Company, Great Oaks Water Company, Liberty Utilities (Apple Valley Ranchos Water, and Park Water), San Jose Water Company, San Gabriel Valley Water Company, and Suburban Water Systems; and all Class-B water utilities (Bakman Water Company, Del Oro Water Company, East Pasadena Water Company, and Alco Water Service).

The water and sewer corporations subject to this Resolution shall take the following immediate actions. To the extent that they have not already done so in response to the Executive Director's March 17, 2020 letter, or to the extent to which their response was not fully responsive to the requirements of this Resolution, the water and sewer corporations subject to this Resolution shall file a Tier 2 Advice Letter no later than 15 days after this Resolution's approval demonstrating compliance to the Commission's Water Division:[15]

(1) activation of their Catastrophic Event Memorandum Account (CEMA) effective to the date of the Governor's declaration of a state of emergency - March 4, 2020;

(2) make insurance claims on all costs and expenses incurred as a result of the pandemic, and credit insurance payments to their CEMA;

(3) work cooperatively with affected customers to resolve unpaid bills, and minimize disconnections for non-payment;

(4) waive reconnection or facilities fees for customers and suspend deposits for customers who must reconnect to the system;

(5) provide reasonable payment options to customers;

(6) waive bills for victims who lost their homes or if their homes are rendered uninhabitable; and

(7) authorize a pro rata waiver of any fixed element of a water bill for the time that the home is uninhabitable, even if the reason for it being uninhabitable is not loss of water service.

Emergency Customer Protections for Communications Customers

The emergency customer protections established in D.19-08-025 ensure that residential and small business communications service customers who experience a housing or financial crisis due to a disaster keep vital services and receive support in the wake of the disaster.

The customer protections for facilities based and non-facilities-based landline providers (*e.g.*, 9-1-1/E9-1-1 providers, LifeLine providers, VoIP providers, COLRs, and other landline providers) are:[16]

[15] *Id.* at 42-43.

[16] D.19-08-025 at 31-33.

(1) Waiver of one-time activation fee for establishing remote call forwarding, remote access to call forwarding, call forwarding features and messaging services;

(2) Waiver of the monthly rate for one month for remote call forwarding, remote access to call forwarding, call forwarding, call forwarding features, and messaging services;

(3) Waiver of the service charge for installation of service at the temporary or new permanent location of the customer and again when the customer moves back to the premises;

(4) Waiver of the fee for one jack and associated wiring at the temporary location regardless of whether the customer has an Inside Wire Plan;

(5) Waiver of the fee for up to five free jacks and associated wiring for Inside Wiring Plan customer upon their return to their permanent location;

(6) Waiver of the fee for one jack and associated wiring for non-Plan customers upon their return to their permanent location;

Decision 19-08-025 describes the customer protections for wireless providers (e.g., those that provide access to E9-1-1 and/or Lifeline services) as follows. Items 1-6 apply to facilities-based wireless providers, and items 4-8 apply to resellers and non-facilities-based wireless providers, (*e.g.* mobile virtual network operators [MVNOs]):[17]

(1) Deploy mobile equipment, including Cells on Wheels and Cells on Light Trucks, to supplement service in areas that need additional capacity to ensure access to 9-1-1/E9-1-1 service;

(2) Provide device charging stations in areas where impacted wireless customers seek refuge; and

(3) Provide WiFi access in areas where impacted wireless customers seek refuge.

The following are directed to all facilities-based and non-facilities based wireless providers, including resellers:[18]

[17] *Id.* at 33.

[18] *Id.* at 34.

(4) Provide mobile phones for customers seeking shelter from a disaster to use temporarily at a county or city designated shelter.

(5) The Commission urges wireless carriers to allow customers to defer or phase payment for coverage charges for data, talk, and text for defined periods of time;

(6) The Commission urges wireless carriers to extend payment dates for service for defined periods of time;

(7) Consider providing temporary replacement phones for customers whose phones were lost or damaged as a result of a disaster or evacuation.

(8) Consider providing temporary replacement phones for customers whose phones were lost or damaged as a result of a disaster or evacuation.

Decision 19-08-025 incorporates the interim emergency protections applicable to LifeLine service adopted in D.18-08-004,[19] which are in effect during the COVID-19 state of emergency for all providers of LifeLine service:[20]

(1) Delay the California LifeLine Renewal Process and suspend the de-enrollment for non-usage rules; and

(2) Implement the LifeLine outreach methods.

To the extent that they have not already done so in response to the Executive Director's March 17, 2020 letter, or to the extent to which their response was not fully responsive to the requirements of this Resolution, communications corporations subject to this Resolution shall file an Advice Letter no later than 15 days after this Resolution's approval demonstrating compliance to the Commission's Communications Division.

Community Awareness and Public Outreach of Customer Protection Implementation during COVID-19

In D.19-07-015 and D.19-08-025, we directed the utilities and communications service providers to raise awareness about the existence of the emergency customer protections

[19] D.18-08-004 at 9.

[20] Nothing in this Resolution supersedes other customer protections which may be ordered by the Commission. For example, the March 19, 2020 Assigned Commissioner Ruling (ACR) in R.20-02-008 suspended the LifeLine renewal process, including de-enrollment due to the renewal process, for all California LifeLine participants including those who do not meet federal LifeLine eligibility criteria for a period of 90 days from the date of the ACR unless modified by a Commission decision. (R.20-02-008 ACR at 3.)

before, during, and after a disaster so customers are prepared. In these decisions, we established a baseline set of required outreach and education activities to ensure ratepayers have robust awareness about the Commission's customer protections.[21] Then in D.20-03-004 we adopted further in-language community outreach awareness and public outreach requirements before, during and after a wildfire for our regulated, investor-owned electrical utilities.[22]

For meaningful public impact during this COVID-19 crisis, we direct the utilities and communications service providers to conduct outreach of these protections to customers. Outreach and public awareness should be consistent with D.19-07-015, D.19-08-025, and D.20-03-004 regarding the type of service the various utilities and communications service providers offer.[23] The utilities and communications service providers have flexibility in how they deliver messages about the customer protections ordered in D.19-07-015, D.19-08-025 and in the languages ordered in D.20-03-004 as long as the messages are designed to reach customers to the maximum extent and aid them in their understanding of these customer protections.

General Compliance with other State Statutes and Applicable Regulations

The electric, gas, communications, and water and sewer corporations subject to this Resolution are directed to ensure compliance with existing statutes, regulations, ordinances and work in cooperation with all appropriate California, federal, and local government agencies.

COMMENTS

Public Utilities Code section 311(g)(1) provides that this Resolution must be served on all parties and subject to at least 30 days public review and comment prior to a vote of the Commission. Section 311(g)(2) provides that this 30-day period may be reduced or waived "in an unforeseen emergency … ." The Commission's Rules of Practice and Procedure also provide that public review and comment may be waived or reduced in an "unforeseen emergency situation" specifically where there are "[a]ctivities that severely impair or threaten to severely impair public health or safety…" (Rule 14.6(a)(1) and/or where there are "[c]rippling disasters that severely impair public health or safety." (Rule 14.6(a)(2)). "Requests for relief based on extraordinary conditions in which time is of the

[21] D.19-07-015 at 35-37; *see also* D.19-08-025 at 39-42.

[22] D.20-03-004 at 19-25.

[23] The requirements In D.19-08-025 apply to the communications service providers. The requirements in D.19-07-015 and D.20-03-004 apply to the electrical corporations. The requirements of D.19-07-015 apply to the natural gas and Class A and Class B water corporations.

essence." (Rule 14.6(a)(2)). "Unusual matters that cannot be disposed of by normal procedures if the duties of the Commission are to be fulfilled."

The 30-day comment period is waived pursuant to these authorities due to the extraordinary nature of the pandemic. In order to better disseminate the directives in this resolution it was served on the service list of the proceeding that developed the customer protection measures discussed herein - R.18-03-011. Interested persons can participate in the forthcoming Advice Letter processes.

FINDINGS

1. On March 4, 2020, Governor Newsom declared a State of Emergency in California related to COVID-19.

2. On March 19, 2020, Governor Newsom ordered Californians to shelter in place except to meet essential needs.

3. Social distancing and shelter-in-place requirements have required the closure of non-essential businesses and resulted in layoffs.

4. Employee layoffs due to the COVID-19 pandemic have created a risk that residential customers may fall behind on utility payments through no fault of their own.

5. Some companies have already implemented customer protections in response to the COVID-19 pandemic, including observing moratoria on disconnections for nonpayment and lifting broadband data caps.

6. In order to assist Californians affected by the COVID-19 pandemic, it is reasonable to provide continuity and consistency between all utility actions related to the pandemic.

7. The Commission has previously issued Resolutions and opened Rulemakings to address highly disruptive events, most recently in response the devastating wildfires in Northern and Southern California.

8. In response to the reoccurring natural and manmade disasters, the Commission opened Rulemaking (R.) 18-03-011 and adopted customer protection measures adopted in decisions (D.)19-07-015 and D.19-08-025.

9. Having access to essential utility services is critical to maintaining Californians' health and safety during the COVID-19 pandemic.

10. In order to expeditiously assist Californians affected by the COVID-19 pandemic, it is reasonable to apply the emergency customer protections adopted in D.19-07-015 and D.19-08-025 during the pendency of the pandemic.

11. Public Utilities Code section 311(g)(2) allows the Commission to reduce or waive the public review and comment period in an unforeseen emergency.

THEREFORE, IT IS ORDERED that:

1. Electric, gas, communications, and water and sewer corporations subject to this Resolution shall retroactively apply the customer protection measures adopted in D.19-07-015 and D.19-08-025 from March 4, 2020 onward.

2. To the extent that they have not already done so in response to the Executive Director's March 17, 2020 letter, or to the extent to which their response was not fully responsive to the requirements of this Resolution, electric, gas, communications, and water and sewer corporations subject to this Resolution shall file a Tier 2 Advice Letter describing all reasonable and necessary actions to implement the emergency customer protections adopted in D.19-07-015 and D.19-08-025 to support California customers.

3. Commission staff will review the Advice Letters for compliance with the customer protection measures adopted in D.19-07-015 and D.19-08-025.

4. In the Tier 2 Advice Letter required in Ordering Paragraph #2, rate regulated electric, gas, communications, and water and sewer corporations subject to this Resolution may request authorization to track and recover incremental costs associated with complying with this resolution.

5. The Emergency Customer Protections apply to residential and small business customers for up to one year from the date of this Resolution, with the option to extend.

6. The electric, gas, communications, and water and sewer corporations subject to this resolution shall conduct community awareness and public outreach of the customer protection measures adopted in D.19-07-015 and D.19-08-025 consistent with the requirements of D.19-07-015, D.19-08-025, and D.20-03-004.[24]

7. This order is effective today.

[24] The requirements In D.19-08-025 apply to the communications service providers. The requirements in D.19-07-015 and D.20-03-004 apply to the electrical corporations. The requirements of D.19-07-015 apply to the natural gas and Class A and Class B water corporations.

I certify that the foregoing resolution was adopted by the California Public Utilities Commission at its regular meeting of April 16, 2020, and the following Commissioners approved favorably thereon:

/s/ ALICE STEBBINS

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Alice Stebbins
Executive Director

MARYBEL BATJER
President
LIANE M. RANDOLPH
MARTHA GUZMAN ACEVES
CLIFFORD RECHTSCHAFFEN
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Commissioners