

May 19, 2020 (*revised and resubmitted May 26<sup>th</sup>, 2020*)

To: NC Governor Roy Cooper  
Office of Governor Roy Cooper  
1 E. Edenton St.  
Raleigh, NC 27601

**RE: EXTENSION OF, AND REVISIONS TO, EXECUTIVE ORDER 124**

Dear Governor Cooper,

We, the undersigned 32 organizations, led by Appalachian Voices, Natural Resources Defense Council, the North Carolina Justice Center and Vote Solar, thank and applaud you for your decision on March 31st to issue Executive Order 124 suspending service disconnections and late payment fees<sup>1</sup> relating to customer non-payment of utility bills. As detailed in this letter, that order has and continues to serve its intended purpose of protecting the public health of North Carolina's residents by ensuring uninterrupted access to electricity, heating fuels, water and wastewater services for hundreds of thousands of utility customers over the past seven weeks.

However, with the expiration of EO 124 approaching on May 31st, we write to request that you:

1. Extend the moratorium on utility disconnections and late payment fees for at least another 60 days, or until the end of the state health emergency, whichever is later. (*Some policy makers in Congress have supported a provision in the most recent COVID-19 relief bill to pass the House (H.R. 6800) which includes a utility shutoff moratorium running until 120 days after the end of the emergency.*<sup>2</sup>)
2. Incorporate the following revisions to the EO to more fully and appropriately protect utility customers through the remainder of the COVID-19 crisis and beyond:
  - a. Extend the required repayment period for accumulated utility bill debt to a minimum of 12 months, or require utilities to offer income-based repayment plans with no set end date, and ensure that this provision applies to all customers in arrears at the time the moratorium expires.
  - b. Place additional restrictions on disconnections and fees imposed for customer violations of repayment agreements, as well as other harmful collections practices.
  - c. Provide emergency water to households for which water service has yet to be restored.

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<sup>1</sup> All use of the phrase "late payment fees" should herein be understood as inclusive of interest and other related disconnection and reconnection charges related to late bill payment or non-payment.

<sup>2</sup> HEROES Act, section 110402. <https://www.congress.gov/bill/116th-congress/house-bill/6800>

- d. Require the immediate reconnection of anyone still without essential utility services that had been disconnected prior to the enactment of EO 124.
- e. In addition to existing reporting requirements, require utilities to report on total utility bill debt owed by customers, the number of customers in arrears, the number of customers that were disconnected for non-payment when the moratorium first took effect, and steps undertaken to reconnect customers.
- f. Restore weekly data reporting requirements for utilities.
- g. Implement standardized requirements for utilities to notify their customers of the provisions of the order.

We also ask that you consider federal and State funding policies and/or resources that can help alleviate arrearages while stabilizing utilities (as outlined near the end of this letter).

The extension of, and revisions to, EO 124 detailed herein are critical given the rapid growth in utility bill debts and arrearages in North Carolina that is occurring as a result of the crisis.

### **Analysis of Data Reported Under EO 124**

The monthly reports that North Carolina's utilities were required to submit in accordance with EO 124 illustrate the depth to which individuals and families in our state are struggling to pay their utility bills as a result of the economic crisis. Considering the number of workers who have filed for unemployment since the onset of the crisis, the sheer numbers of customers who would have faced disconnection for nonpayment in the absence of the moratorium suggests that the problem will likely grow in the coming months.

In sum, the data (which do not include full responses from some of the largest utilities) show that, as of April 30, over 425,000 residential electric, gas, water, and wastewater accounts became eligible for disconnection in April but were not disconnected because of the moratorium, and over 500,000 residential accounts were overdue at the end of April, totaling, at a minimum, nearly \$54 million in arrears.<sup>3</sup> (It is important to note that these impacts are the result of unprecedented unemployment and not a result of EO 124.) Further, more than 2,770 residential electric, gas and water accounts that were disconnected as of March 31st had yet to be reconnected as of April 25th, including more than 1,500 water customers lacking running water to wash their hands to prevent the spread of disease in the middle of a pandemic.<sup>4</sup>

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<sup>3</sup> The total utility bill arrearage value and number of overdue accounts are far less than the actual value due to the fact that the largest utilities, as well as many small- and medium-sized utilities opted not to report this data in their monthly report. The actual total value of residential arrearages could easily exceed \$100 million or more, especially considering that in the report for Period 2, the NC Electric Membership Corporation reported that from February 29th through April 11th the amount of unpaid customer bills for the average co-op nearly tripled, increasing by \$630,000 per co-op, or more than \$16 million in total. Additionally, per the NCUC, nearly half of the utilities operating in the state did not submit the April monthly report.

<sup>4</sup> The weekly data was also incomplete due to the fact that only 20 percent of all utilities were submitting weekly data, with the rest being exempted from having to do so. As such, the numbers for these utilities are lower than they likely otherwise would be.

EO 124 required all electric, gas and water/wastewater utilities serving North Carolina residents to submit weekly data reports to include, among other items, the number of accounts that were eligible for disconnection for non-payment as of March 31st, the number of accounts that remained disconnected due to non-payment as of March 31st, the number or reconnections performed during each weekly reporting period, the number of accounts for which extended repayment plans had been established, and the amount of late payment fees that would have been charged (but were not). Initially, NCUC established four weekly reporting periods that covered April 1 to April 25. Subsequently, NCUC and the Attorney General, exercising discretion granted under the order, changed the reporting period to monthly, with the first monthly report covering the month of April.

While the weekly reports provided extremely valuable data to help understand how the economic crisis is impacting North Carolinians' ability to afford their utility bills, the data was incomplete due to the large number of utilities exempted during the weekly reporting periods (resulting in only 20 percent of all utilities submitting data) and the lack of key data points such as accumulated bill arrearages and other items.

On May 15th, the NC Utilities Commission (NCUC) submitted to the Governor the first monthly data report, which covers April 1st through 30th. No utilities were exempt from monthly reporting, but NCUC states that only "more than half" of the state's utilities submitted a monthly report.

Another key data limitation is the lack of complete information on the scale of past due accounts at the end of the monthly reporting period, which serves as an indicator of the number of households that may soon be facing disconnection were it not for the moratorium, even if they did not become "eligible for shutoff" before the end of April. The numbers from the data that is available are staggering, as discussed below, yet they understate the full extent of the problem. The monthly reporting form asked utilities to submit, for the first time, the number of past due accounts and total dollar amount arrearages as of April 30th, but responses to those questions were voluntary. The largest utilities -- such as most of the investor-owned electric and gas utilities, all of the state's rural electric cooperatives, and the state's largest investor-owned water utility -- did not provide some or all of this optional data.

Subject to the above limitations, our analysis of the residential data in the monthly report shows the following:

**Number of utilities submitting monthly reports for April:**

- Electric: 79
- Natural gas: 10
- Water: 296
- **Total: 385**

**Total residential accounts that became eligible for disconnection for non-payment in April:**

- Electric: 233,464
- Natural gas: 42,095
- Water: 149,895
- **Total: 425,454**

**Total residential accounts with a past due bill amount as of April 30th (*data provided only by some reporting utilities*)**

- Electric: 118,776
- Natural gas: 77,760
- Water: 308,639
- **Total: 505,175**

**Total dollar amount of residential arrearages as of April 30th (*data provided only by some reporting utilities*)**

- Electric: \$14,236,952
- Natural gas: \$964,512
- Water: \$38,747,804
- **Total: \$53,949,268**

**Residential accounts remaining disconnected for non-payment as of April 25th:<sup>5</sup>**

- Electric: 576
- Natural gas: 694
- Water: over 1,500
- **Total: over 2,770**

Of the over 505,000 residential accounts overdue at the end of April -- including over 425,000 that were already eligible for shutoff -- only 14,638 had been put on a repayment plan.

Critically, the above data suggest that approximately 80,000 residential accounts that were not yet eligible for shutoff by the end of April will soon become eligible for shutoff, based on arrears accumulated.<sup>6</sup> For water and gas, in particular, approximately *twice as many* residential accounts were overdue at the end of April as became shutoff eligible at some point during the month.<sup>7</sup>

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<sup>5</sup> These numbers are derived from the four weekly reports, by summing the number that each of the reporting utilities identified as having been disconnected as of March 31, 2020 and subtracting the total number of accounts that those same utilities reported as reconnected.

<sup>6</sup> The number of residential accounts past due at the end of April (approximately 505,000) exceeds by about 80,000 the number that became shutoff eligible at some point in April (approximately 425,000). Across all utilities reporting, the average number of days after billing that a bill becomes past due is 22, and the average number of days after billing when shutoffs "would normally begin" is 37. In other words, on average, shutoffs can begin when a customer's bill is as little as 16 days overdue.

<sup>7</sup> Among the water utilities reporting, approximately 150,000 residential customers became eligible for shutoff during April, but by the end of the month approximately 309,000 residential accounts were overdue. Among the gas utilities reporting, approximately 42,000 residential customers became eligible for shutoff during April, but by the end of the month approximately 78,000 residential accounts were overdue.

Depending on how bad the economic impact of the crisis ends up being, recent estimates suggest that electric utility arrearages (unpaid debts) in North Carolina could ultimately range from \$300 million<sup>8</sup> to \$700 million.<sup>9</sup> One of those recent estimates -- in a report by Vote Solar, one of the primary authors of this letter -- estimates that total arrearages for all utilities including electric, gas, water/wastewater and broadband could reach \$1.3 billion over just four months.<sup>10</sup> The EO did not cause these dynamics. ***Overall, the data indicate that programs to help pay arrearages and assist utilities are needed immediately.***

## **Policy Implications**

A sudden end to the shutoff moratorium enacted under EO 124, while the COVID-19 emergency and resulting economic crisis continue, would open the door to immediate loss of water, electric, and/or gas service for the many hundreds of thousands of North Carolinians who are in arrears on their utility bills. This would undercut the state's efforts to control the pandemic and would result in significant and long-lasting social and economic devastation for these households, and by extension the broader economy, and as such requires your immediate attention.

To that end, relating to EO 124, we request the following:

- 1. Extend the moratorium at least another 60 days or until the end of the state health emergency, whichever is later.**

Even as your office is advancing a phased re-opening of the state economy, the number of unemployment claims continues to rise, recently reaching as many as 1 million such claims directly tied to the COVID-19 crisis. While relaxing economic restrictions may bring back a large number of jobs, it will be months, at a minimum, before we reach pre-crisis levels of unemployment. While EO 124 requires utilities to offer a minimum of six months for customers to pay off accumulated utility bill debts once the moratorium is lifted, if those customers still remain unemployed they are unlikely to be able to afford their monthly bills, much less an extra payment to cover unpaid bills from prior months. As such, the moratorium period should be extended by at least another 60 days or until the state health emergency is declared to be over, whichever is later.<sup>11</sup> At that time, further extension of the moratorium should be considered as unemployment or other economic indicators warrant.

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<sup>8</sup> Vote Solar. "COVID-19 and the Utility Bill Debt Crisis." April 2020. *NC utility-specific estimates provided via email.* [https://votesolar.org/files/5415/8827/1108/Vote\\_Solar\\_Covid19\\_Debt\\_Crisis.pdf](https://votesolar.org/files/5415/8827/1108/Vote_Solar_Covid19_Debt_Crisis.pdf)

<sup>9</sup> National Consumer Law Center. "Skyrocketing Utility Arrears during the Covid-19 Crisis: The Need for Substantial Federal Support." April 2020. [https://www.nclc.org/images/pdf/special\\_projects/covid-19/IB\\_Electric\\_Service\\_Arrearage\\_Narrative.pdf](https://www.nclc.org/images/pdf/special_projects/covid-19/IB_Electric_Service_Arrearage_Narrative.pdf)

<sup>10</sup> Vote Solar. April 2020.

<sup>11</sup> A review of state water shutoff moratoria performed by the Natural Resources Defense Council found that eight other states that have water shutoff moratoria that extended at least through the end of their state's health emergency: California, Delaware, Indiana, Maine, Michigan, New Hampshire, Ohio and Wisconsin. In a number of other states with shutoff moratoria for utility-commission regulated utilities (including electric, gas, and water), the moratoria extend at least through the end of the state's health emergency; a partial list includes Illinois, Iowa, Massachusetts, New Mexico, Pennsylvania, Tennessee.

It is important to note that we understand the economic hardship that many of the state's utilities, particularly the unregulated non-profit and government-owned utilities, are facing as a result of the crisis and the associated loss in revenue due to customers being unable to pay their bills. While there have been claims that the moratorium is exacerbating that hardship by incentivizing "free ridership," such claims are unsubstantiated and discount the importance of ensuring access to vital services in order to protect public health. Further, prior to the enactment of EO 124, many of the state's unregulated utilities had yet to institute those protections voluntarily.

However, it is clear that utilities are facing significant revenue shortfalls due to customer non-payment, and addressing the growing arrearages will be of vital importance in order to maintain the financial health of utilities while at the same time ensuring the continuation of utility services for customers until our economy is stable and normal operations can continue. We provide some brief recommendations in that regard at the end of this letter.

**2. Incorporate several revisions to the EO to more fully and appropriately protect utility customers through the remainder of the COVID-19 crisis and beyond.**

The data gathered under EO 124 show the need not only to extend the expiration date of the order, but also to expand the protections it provides. We request that an extended order include the modifications described below. We note that the National Association of State Utility Consumer Advocates recently published a resolution regarding this issue, with recommendations that support our own.<sup>12</sup>

**a. Extend the required repayment period for accumulated utility bill debt to a minimum of 12 months, or require utilities to offer income-based repayment plans with no set end date.**

Even as the economy recovers, it will take a long time for utility customers to get back on their feet and once again able to afford their utility bills. In the meantime, many will continue accruing utility bill debt. Once the moratorium is lifted (especially if it is lifted too early), they will have six months (as required under EO 124) to pay off any accumulated utility bills. This is likely to be untenable for tens of thousands if not hundreds of thousands of North Carolina households.

For instance, a household that had a pre-crisis electric bill of \$150 per month, but was unable to pay that bill in April and May, will have accumulated a debt of \$300 that they would have six months to pay off beginning June 1st. That would amount to \$50 per month, which would be tacked onto their normal \$150 monthly bill, increasing their monthly bill to \$200 -- a 33% increase. If they are still unemployed, or even if they are recently re-employed, they may still be unable to afford their utility bills, much less the additional required payment.

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<sup>12</sup> National Association of State Utility Consumer Advocates. Resolution 2020-01. "NASUCA Recommendations Concerning the Effects of the Public Health and Economic Crises Resulting from COVID-19 upon Utility Rates and Services Provided to Consumers by Public Utilities." May 12, 2020. [https://www.citizensutilityboard.org/wp-content/uploads/2020/05/2020-01-NASUCA-COVID-19-Policy-Resolution-Final-5-12-20\\_.pdf](https://www.citizensutilityboard.org/wp-content/uploads/2020/05/2020-01-NASUCA-COVID-19-Policy-Resolution-Final-5-12-20_.pdf)

This example underscores the need to extend the repayment period requirement in the EO to at least 12 months, and to consider more appropriate approaches such as an income-based repayment plan (*e.g.*, monthly payments capped for low-income customers as a certain percentage of household income), as well as implement additional restrictions on utilities that address disconnections and fees imposed if a customer violates a repayment agreement (see 2.b., below). Further, the repayment plan provision should be expanded so that it is available to all customers in arrears at the time the moratorium expires, *including those that had delinquent accounts prior to March 31st.*

**b. Place additional restrictions on disconnections and fees imposed for customer violations of repayment agreements, as well as other harmful collections practices.**

Additional revisions to the EO are required to further protect utility customers from adverse financial impacts of harmful collection practices during and following the end of the moratorium. For instance, under the existing EO, if a customer is late on payments under an extended repayment plan, utilities may then disconnect that customer, charge a late payment fee and interest, and charge a fee to be reconnected.<sup>13</sup> To protect against this and other harmful collections practices, we ask that you make the following revisions to the order and ensure these protections remain in place for the duration of the required repayment period:<sup>14</sup>

1. The extended order should provide that, during the term of a repayment agreement pursuant to the provisions of EO 124, utilities cannot disconnect a customer or impose late fees, interest and other charges for late/non-payment if a customer misses a payment. Any missed payments under the payment plan should be amortized over the remaining term of the repayment period.
2. Eliminate any customer deposit requirements;
3. Eliminate down payment requirements on deferred payment arrangements;
4. Eliminate minimum balance requirement for prepaid utility service customers;
5. Prohibit the use of liens (including lien sales and enforcement of liens) as a collection practice; and,
6. Prohibit reporting of unpaid bills to any consumer reporting agency and the sale of unpaid receivables to private collection agencies.

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<sup>13</sup> Kara Millonzi, UNC School of Government. "EO 124: Further Implementation Guidance for Local Government Utilities." May 6, 2020. [https://canons.sog.unc.edu/eo-124-further-implementation-guidance-for-local-government-utilities/#utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=eo-124-further-implementation-guidance-for-local-government-utilities](https://canons.sog.unc.edu/eo-124-further-implementation-guidance-for-local-government-utilities/#utm_source=rss&utm_medium=rss&utm_campaign=eo-124-further-implementation-guidance-for-local-government-utilities)

<sup>14</sup> The National Consumer Law Center offers additional policy recommendations that we support for protecting utility customers from disconnections and financial harm following the lifting of the moratorium. See: "Coronavirus Crisis: How States Can Help Consumers Maintain Essential Utility Services." March 2020. [https://www.nclc.org/images/pdf/special\\_projects/covid-19/IB\\_What\\_States\\_Can\\_Do\\_Coronavirus\\_Uilities.pdf](https://www.nclc.org/images/pdf/special_projects/covid-19/IB_What_States_Can_Do_Coronavirus_Uilities.pdf)

**c. Provide emergency water to households for which water service has yet to be restored.**

Per the weekly reports, approximately 1,100 residential water accounts remained without service as of April 25th, with a limited number of utilities reporting.<sup>15</sup>

We request that you ensure the immediate provision of emergency water for households waiting water service to be restored or who otherwise lack safe tap water. This can be done by establishing water distribution stations at various spots in the community that are available to all who lack safe water. We ask that you direct relevant state, county, local, and/or utility officials to ensure this happens, and that the availability and location of these stations is widely publicized.

**d. Require the immediate reconnection of anyone still without essential utility services that had been disconnected prior to the enactment of EO 124.**

EO 124 only “encourages” utilities to immediately reconnect service for any account that had their service disconnected or shut off prior to the order. Per our analysis of the weekly reports, more than 2,370 total electric, gas and water accounts that were disconnected as of March 31st had yet to be reconnected as of April 25th. This number is likely to be low due to the large number of utilities that have been exempted from weekly reporting. Utilities should be *required* to safely reconnect all accounts that were disconnected as of March 31st if they serve an occupied residence, with some flexibility for responding appropriately to customer-specific circumstances. Utilities should be required to do this proactively, based on their records of disconnections, rather than waiting for a customer to contact them. Additionally, to the extent this is necessary, the EO should be revised to specify that utilities are required to approve connection requests at new locations customers may have moved to regardless of whether a debt/arrearage still exists at that customer’s prior residence.

**e. In addition to existing reporting requirements, require utilities to report on total utility bill debt owed by customers, the number of customers in arrears, the number of customers that were disconnected when the moratorium first took effect, and steps undertaken to reconnect customers.**

The EO requires utilities to report the number of customers who would have been eligible for disconnection as well as the amount of uncharged late payment fees. It does not require utilities to report actual utility bill debts owed or the number of customers in arrears; although NCUC requested this data, for the first time, in the April monthly reports, it made the submission of this data voluntary (and most of the investor-owned and co-op utilities did not submit that data).

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<sup>15</sup> Reports to date do not provide the actual number of accounts remaining without service as of April 30 because the April monthly report did not require reporting of the number of accounts that each utility had already disconnected when the moratorium took effect. Data on disconnections are available from the weekly reports, albeit from a more limited set of reporting utilities. As of the reporting period ending April 25, only 227 water or wastewater utilities had submitted at least one weekly report. The state has approximately 2,000 community water systems regulated under the Safe Drinking Water Act, including 280 serving more than 3,300 people. See USEPA, Safe Drinking Water Information System (SDWIS), Safe Drinking Water Search for the State of North Carolina, [https://enviro.epa.gov/enviro/sdw\\_form\\_v3.create\\_page?state\\_abbr=nc](https://enviro.epa.gov/enviro/sdw_form_v3.create_page?state_abbr=nc).

The existing EO also does not require reporting on disconnections as of the date the order took effect or on reconnections made during the term of the order; although in the weekly reports NCUC did require utilities to report that data, in the monthly report (which for the first time required reporting by non-NCUC regulated utilities), only reconnection data was required, but not disconnection data. As a result, the dataset collected from utilities, with respect to these issues, is significantly incomplete. *These data points are far more important for understanding the severity of the problem than the data utilities are required to report under the existing EO.*<sup>16</sup>

As detailed above, the monthly utility report shows that residential arrearages amounted to a minimum of approximately \$54 million as of April 30th. That data did not include amounts for customers of the state's largest investor-owned electric utilities or those of electric cooperatives, among other utilities. However, as reported by the NC Electric Membership Corporation in mid-April, member-owners (customers) of electric co-ops had already accrued \$16 million in unpaid bills between Feb. 29th and April 11th, and estimates have been produced showing that statewide electric bill arrearages could exceed \$300 million in a number of months.

This is the single-most important issue that will need to be addressed regarding all utility services in the coming months given the potential for tens of thousands or hundreds of thousands of utility customers facing unaffordable bills, and thus service disconnections/shut offs by the end of the year (or sooner, if they aren't able to make payments under an agreed-upon payment plan). For the public and the Administration to be able to understand the scale of this problem and respond appropriately, the Administration should require utilities to include in each report (separately for residential and non-residential customers) the total unpaid bill debt, the total number of accounts in arrears, and the number of accounts reconnected.

Further, the Administration should also require all utilities to submit, immediately, the number of customers disconnected for non-payment as of March 31, 2020.<sup>17</sup> Until a utility has reconnected all of its residential accounts that serve currently occupied homes, it should also be required to submit weekly updates that: describe the steps that utility has taken or will take to reconnect those customers, explain the reasons for any delays, provide the anticipated schedule to complete reconnections, and describe any steps that have been taken to help disconnected customers secure emergency access to water while they await reconnection.

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<sup>16</sup> Disconnection policies can vary widely by utility, particularly among those not regulated by NCUC. There may be many customers who, although in arrears, did not become eligible for disconnection during the reporting periods to date, and thus would not be counted.

<sup>17</sup> In the four weekly reports that preceded the monthly April report, many utilities submitted data on the number of disconnections as of March 31, 2020. However, as noted above, a much larger number of utilities reported for the April monthly reporting period, but the monthly reporting form did not request data on disconnections. As a result, the available data on disconnections is very incomplete. Additionally, for the prior weekly reports, some utilities submitted inconsistent data for the disconnection question each week, suggesting that they may have misunderstood the question.

**f. Restore weekly data reporting requirements for utilities.**

The monthly utility report notes that utilities will no longer be required to submit weekly data reports, and that reporting will now only be required on a monthly basis. Given the importance of the data (both what has been required and what we are requesting be added to the reporting requirements) for enabling the Administration and the public to track and assess the growing impacts of the economic crisis for North Carolina's households, we ask that you reverse the NCUC and Attorney General's decision to eliminate weekly reporting requirements.

**g. Implement standardized requirements for utilities to notify their customers of the provisions of the order.**

While the existing EO requires utilities to "reasonably inform customers of the applicable provisions" of the EO, through means "most typically used to communicate urgent messages to customers," a number of utilities have reported using only technology-based means of communication. Further, an initial review of those reports suggest that none report providing those notifications in languages other than English. However, a large number of utility customers either (a) do not have or may not frequently use email and/or social media accounts, (b) do not have access to or currently cannot afford internet service, and/or (c) may not speak or read in English. Other limitations may also apply. Therefore, we request that the EO be revised in order to improve and standardize requirements for utility communications pertaining to the provisions of the EO. Such revisions could include: general publicity in local newspapers, printed flyers, local radio advertisements, etc; information prominently included in future customer bills concerning the extended repayment options, waiver of late fees, and other changes in collections practices; sending a mailer to the last known occupant of any residence that was and remains disconnected; and, using community-appropriate languages in all means of communication.

**Policy Options for Utility Stabilization and Arrearage Management**

The significant number of utility customers unable to pay their bills as a result of the COVID-19 crisis has underscored the need to act immediately and with expanded focus to protect North Carolina's residents from losing vital utility services during and over the many months following the crisis. To that end, we have outlined specific requests for extending and revising EO 124.

However, that economic hardship will impact low-income households the most and those households may struggle to regain economic stability for years to come, leaving them vulnerable to future disconnections due to non-payment of their utility bills. Additionally, we understand the economic hardship the crisis and moratorium are having on the financial stability of utilities themselves, most notably the unregulated non-profit and government-owned utilities. We recommend that your Administration explore funding sources and opportunities that may be used to forgive accumulated utility bill debt for income-qualified households while at the same time helping these utilities recover those lost revenues.

Existing options for achieving this may include a portion of North Carolina’s allocation of federal COVID-19 relief funding, federal Community Service Block Grants, or Stafford Act emergency funds from the Federal Emergency Management Agency. A handful of signatories to this letter are also in the process of drafting a federal loan-to-grant proposal that would stabilize utility finances and alleviate arrearages for customers most in need, and we welcome a conversation with your Administration about that proposal.

Finally, we ask that your Administration consider advancing long-term policy and program solutions that address the underlying energy insecurity that more than a million households in North Carolina face in paying utility bills on a day-to-day basis, particularly expanding access to comprehensive energy-efficiency upgrades to more low-income households.<sup>18</sup> This is critical for addressing the significant economic and social inequities that exist in our state, for enabling households to be more resilient in the face of future economic crises, and for meeting the goals of the Clean Energy Plan under Executive Order 80.

Thank you for your consideration of this urgent and important request, and for all you have already done to protect North Carolina during these difficult times.

Sincerely,

Al Ripley, Director  
Housing, Consumer and Energy Project  
**North Carolina Justice Center**

Thad Culley, Sr. Regional Director  
**Vote Solar**

David L. Neal, Senior Attorney  
**Southern Environmental Law Center**

Karen Bearden, Coordinator  
**350 Triangle**

Caitlyn Daas, Energy Democracy Coord.  
**App. Climate Action Collaborative**

Steve Owen, Executive Director  
**Appalachian Inst. for Renewable Energy**

Rory McIlmoil, Sr. Energy Analyst  
**Appalachian Voices**

Luis Martinez, Sr. Atty., Director of Southeast  
Climate and Clean Energy Prog.  
**Natural Resources Defense Council**

Greer Ryan, Energy Policy Analyst  
**Center for Biological Diversity**

Martha Girolami, Member  
**Chatham Research Group**

Joel Porter, Policy Manager  
**Clean Air Carolina**

Hope Taylor, Executive Director  
**Clean Water for North Carolina**

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<sup>18</sup> Per the US Dept. of Energy’s Low-Income Energy Affordability data tool, more than 1.1 million households in North Carolina fall under 60 percent of the Area Median Income -- the threshold for being eligible for emergency heating bill assistance under the federal Low-Income Home Energy Assistance Program, and the average energy burden (the percent of household income spent on home energy costs) for those households is 10 percent -- well above the widely-accepted “affordability” threshold of 6 percent. <https://www.energy.gov/eere/slsc/maps/lead-tool>

Brigid Flaherty, Co-Director  
**Down Home North Carolina**

Robie J. Goins, President  
**EcoRobeson**

Drew Ball, Director  
**Environment North Carolina**

Alisha Cahlan, Executive Assistant  
**Environmental Working Group**

Jodi Lasseter, Energy Justice Campaigner  
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Nancy LaPlaca, Principal  
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Julie Mayfield, Co-Director  
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Dana Bartolomei  
Southeast Dir. of Energy Efficiency Policy  
**National Housing Trust**

Connie Leeper, Co-Convener  
**NC Climate Justice Collective**

Will Scott, Energy Policy Analyst  
**NC Conservation Network**

Rev. Dr. Jennifer Copeland, Exec. Director  
**North Carolina Council of Churches**

Acacia Cadogan, Communications Manager  
**NC Environmental Justice Network**

Susanna Tuttle, Director  
**NC Interfaith Power and Light**

Carrie Clark, Executive Director  
**NC League of Conservation Voters**

Ken Brame, Chapter Chair  
**NC Sierra Club**

Jim Warren, Executive Director  
**NC WARN**

Donna Chavis, Organizer  
**RedTailed Hawk Collective**

George Mathis, President  
**River Guardian Foundation**

Maxwell F. Mandler, Core Member  
**Sunrise Movement Asheville**

Michael Eisenberg, Member  
**Tuesdays with Tillis**