To: NC Governor Roy Cooper

Office of Governor Roy Cooper

1 E. Edenton St. Raleigh, NC 27601

CC: Members of the NC Utilities Commission

Members of the NC Council of State

Senate President Phil Berger House Speaker Tim Moore

NC Secretary of Health and Human Services Mandy Cohen

RE: EXTENDING PROTECTIONS AND ASSISTANCE FOR HOUSEHOLDS FACING LOSS OF UTILITY SERVICES

Dear Governor Cooper,

We, the undersigned, once again express our deep gratitude for your actions protecting vulnerable households as the COVID-19 economic and public health crisis took hold, and we further applaud and thank you for your recent announcement of \$175 million in funding "to support rental and utility payments and prevent evictions for those with a demonstrated need." Ensuring that households have access to vital electric and water utility services has been, and continues to be, critical for protecting public health. We also acknowledge the difficult decision you faced as you considered an extension to Executive Orders 124 and 142 at the end of July.

Unfortunately, as the moratorium expired on July 30th, and given that the NC Utilities Commission (NCUC) moratorium for regulated utilities will now expire at the end of August, more than one million residential utility accounts which owed *a minimum* \$226 million in unpaid utility bills as of July 31st are now at risk -- which far exceeds the portion of funding you announced this week that is likely to be allocated specifically for utility bill assistance. Both state and national media have highlighted the crisis unfolding in North Carolina as a result of the pandemic and the expiring moratoria. 1,2

¹ Wagner, Adam. Charlotte Observer. *Are your utility bills past due because of COVID-19? Prepare to pay as NC order expires*. July 21. https://www.charlotteobserver.com/news/local/article244139627.html

² Romm, Tony. Washington Post. *In North Carolina, unpaid electric and water bills are driving families and cities to the financial brink*. July 23. https://www.washingtonpost.com/business/2020/07/23/north-carolina-utility-bills-coronavirus/

Even with the flexibility provided in the repayment plans required in the two orders, many households will nevertheless be unable to afford their utility bills. These repayment plans would pile steep arrearages on top of mounting new utility costs, which are especially high due to the summer heat and following stay-at-home guidance — all in the context of widespread unemployment and a national economic crisis.

Without access to utility services, extreme seasonal temperatures will put households at risk of severe health impacts, including loss of life. Access to running water remains an essential factor in preventing the spread of COVID-19, while electricity regulates indoor temperatures and helps keep life-saving medications like insulin viable. This crisis disproportionately impacts low-wealth, elderly/disabled, and Black and Brown residents, many of whom provide the vital services keeping other members of the population healthy and our economy moving.

While this continues to be a severe and growing crisis for which neither the US Congress, the NCUC, the legislature, nor your Administration has yet to offer a solution, there are solutions available. We request that you immediately take the following actions to alleviate this crisis and protect North Carolina's most vulnerable households:

- 1. Immediately enact a new Executive Order, applicable specifically to the most vulnerable households, establishing a moratorium on utility disconnections and requiring reconnection of those previously disconnected for non-payment.³ The new moratorium shall remain in place until the end of the State of Emergency and for a reasonable period beyond to enable households to regain their financial footing. See attachment, "Income qualified shutoff moratorium and repayment plan replacing EO 124 and 142."
- **2.** Extend the protections ordered by the NCUC for residential customers served by regulated utilities to those served by unregulated utilities. Eliminate the two-tiered system where households served by municipal utilities and electric cooperatives face stricter, less forgiving repayment terms than those of regulated utilities due to the non-uniformity between the provisions in EO 124/142 and the NCUC order published on July 29th. For instance, the NCUC order extended the shutoff moratorium through the end of August; continued the moratorium on late fees until the end of the State of Emergency; and requires that utilities offer a minimum of 12 months for customers to repay accumulated debt, whether accrued during or before the shutoff moratorium (as compared to the provision in EO 124/142 that required only a 6 month repayment period and applies only to arrears accrued during the moratorium).

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³ There was bi-partisan support for this concept at the Council of State meeting held in July.

- 3. Urge the General Assembly to allocate \$400 million of remaining CARES Act funding -- or other available funding -- toward utility bill assistance. We were disappointed that your budget proposal to the General Assembly of August 26th did not include any additional support for low-income households facing utility shutoffs. As of July 31st, utilities reported total residential arrears to be \$225 million through the end of July, which is a minimum given that numerous utilities did not voluntarily report this data and does not include additional arrearages incurred through July. Much more funding is needed. See attached "Proposal for a North. Carolina Program Appropriating \$400 million to Stabilize the Availability of Vital Utility Services While Eliminating Qualifying Residential Utility Customer Arrearages During the COVID-19 Crisis."
- 4. Immediately allocate *additional* funds that are available for use at your discretion to cover utility bill arrearages for the most vulnerable households. We acknowledge and appreciate the funding you announced on August 25th, but reiterate that the likely allocation of those funds for utility bill assistance will not be enough to address the need. We ask that you release any funds you have access to immediately provide utility bill assistance to the most vulnerable households (see request #1). Remaining options may include Stafford Act emergency funds from the Federal Emergency Management Agency, or a re-allocation of CARES Act LIHEAP funds, amounting to approximately \$25 million, out of the winter heating assistance fund for immediate use.
- 5. Reinstitute and expand utility reporting requirements and commit to reevaluating the state's policies on disconnections and collections based on an ongoing evaluation of reported data. Utility reporting of data on disconnections and arrearages -- by all utilities -- is vital for responding to the scale of the crisis unfolding for households across the state and creating effective policy solutions. At a bare minimum, the reporting requirements for all utilities should match those applicable to regulated utilities under NCUC orders. However, we urge both you and the NCUC to require utilities to report a more robust set of data. Moreover, we urge you to direct the NCUC to continue publicly releasing all data submitted by the utilities and submitting monthly reports to you; and to direct the Commission, in consultation with the Dept. of Health and Human Services and Dept. of Commerce to make recommendations monthly to you and the public -- in consideration of that data, public health data concerning the pandemic, and the state of the economy -- as to whether new or revised state policies are necessary to ensure universal access to utility service during the pandemic and the associated economic crisis.
 - a. Recognizing that allowances may be made for less stringent reporting for small utilities with limited capacity, we recommend that you require utilities not covered by the NCUC's reporting requirements to report the data listed in attachment, "Consumer Statement of Position-Comments on COVID-19 State of Emergency Monthly Reporting Form,"

Finally, we ask you to consider advancing long-term policy and program solutions that address the underlying energy insecurity that more than a million households in North Carolina faced even before the pandemic, particularly expanding access to comprehensive energy-efficiency upgrades to more low-income households. This is critical to addressing the significant economic and social inequities that exist in our state, will enable households to be more resilient in the face of future economic crises, and will help North Carolina meet the goals of the Clean Energy Plan, issued under Executive Order 80. We look forward to discussing these solutions once the immediate crisis of utility disconnections and unaffordable bills is addressed.

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

Sincerely,

The following organizations:

Karen Bearden, Coordinator La'Meshia Whittington, Deputy Director Caitlyn Daas, Comms Manager Rory McIlmoil, Sr. Energy Analyst Danielle Brown, NC Coordinator Therese Vick, Organizer Rabbi Salem Pearce, Executive Director Jean Su, Staff Attorney Karen Fisher Moskowitz, Attorney Joel Porter, Policy Manager Hope C. Taylor, Executive Director Elena Storelli Patricia Rieser, Admin. Liaison Team Stefania Arteaga, Organizer Sanja Whittington, Executive Director Tomas Lopez, Executive Director Sugelema Lynch, Community Organizer Michelle Burton, President Juan Pablo Servin Ramirez, President

Donovan McLaurin, Supporter Keely Wood, Co-Chair Ames Simmons, Policy Director 350 Triangle Advance Carolina Appalachian Climate Action Collab. **Appalachian Voices Black Voters Matter Fund** Blue Ridge Envt'l Defense League Carolina Jews for Justice **Center for Biological Diversity Charlotte Center for Legal Advocacy** Clean Air Carolina **Clean Water for North Carolina** ClimAct Coalition for Health Care of NC **Comunidad Colectiva Democracy Green Democracy NC Down Home NC-Alamance Durham Association of Educators ENCLACO** (Coalition Latino-American of ENC, Inc.)

End The Duke Monopoly

Equality North Carolina

EnvironmentaLEE

Kathy Greggs, Co-Founder/President

Marnie Thompson, Co-Managing Director

Steven Pulliam, Dan Riverkeeper

Christine Michaels, President

Josie Williams, Executive Director

Matthew Whittle, Executive Director

Ilana Dubester, Executive Director

Corey Purdie, Executive Director

Yolanda Taylor, Housing and CED Atty.

Geraldine Alshamy, Executive Director

Julie Mayfield, Co-Director

Doha Medani, Director of Operations

Tara Romano, Executive Director

Dana Bartolomei, SE Dir. of Energy Eff. Policy

Abby Emanuelson, Assistant VP

Luis Martinez, Dir. SE Climate & Energy Prog.

Christina Adeleke, Policy and Comms Mgr

Heather McLaughlin, Retiree Organizer

Susan Perry Cole, President and CEO

La'Meshia Whittington, Deputy Director

Will Scott, Energy Policy Analyst

Jennifer Copeland, Executive Director

Pamela Atwood, Director of Housing Policy

Al Ripley, Dir. of Consumer, Housing, Energy

Robin Smith, Dir. of Policy & Enforcement

William Barber, III, Co-Chair, EJ Cmte.

Cynthia Satterfield, Acting Director

MaryBe McMillan, President

Jim Warren, Executive Director

Charnessa Ridley, President

John Dempsey Parker, Organizer & Steward

Rachel Valentine, Executive Director

Cynthia L Wilson, Vice-Chairman

Julia Horrocks, Managing Attorney

Donna Chavis, Founder

George Matthis, President

Andrew Willis Garcés, Director

Maya Kingsley, NC Coordinator

Fayetteville PACT (police accountability)

Fund for Democratic Communities

Good Stewards of Rockingham

Greater Fayetteville Chamber

Greensboro Housing Coalition

Habitat for Humanity, Goldsboro-Wayne

Hispanic Liaison / El Vínculo Hispano

H.O.M.E. Transitional Network

Legal Aid of North Carolina, Inc.

Mary Magdalene Ministries

MountainTrue

Muslim Women For

NARAL Pro-Choice North Carolina

National Housing Trust

National MS Society

Natural Resources Defense Council

NC AIDS Action Network

NC Alliance for Retired Americans

NC Association of CDCs

NC Black and Brown Policy Network

NC Conservation Network

NC Council of Churches

NC Housing Coalition

NC Justice Center

NC League of Conservation Voters

NC Poor People's Campaign

NC Sierra Club

NC State AFL-CIO

NC WARN

NC Women United

New Hope Collaborative

Orange County Rape Crisis Center

Pathways for Prosperity

Pisgah Legal Services

RedTailed Hawk Collective

River Guardian Foundation

Siembra NC

SisterSong Women of Color

Reproductive Justice Collective

Emily Keel, Steering Committee Triangle Women's Int'l League for Peace

& Freedom

Michael Eisenberg Tuesdays with Tillis

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

Matthew Whittle, Co-Advocate WAYne Forward

Peggy Weil, Public Policy and Grants Coord. Western NC AIDS Project

Greg Borom, Director of Advocacy

Children First/Communities In Schools of

Buncombe

The following businesses, residents and other signatories:

Alice Nunn, Therapist

A1 Care Consultants

LuAnna Nesbitt, Member Appalachian Climate Action Collab.
Sydney Blume, Member Appalachian Climate Action Collab.

Erin E Ethridge, Lecturer

Alex Delturco, Student

Sharon Alosow-Hart, Retired Professor

Appalachian State University

Appalachian State University

Appalachian State University

Yndiana Montes, Student

Kira Foster, Student

Appalachian State University

Appalachian State University

Appalachian State University

Juan Hernandez, Staff Attorney Charlotte Center for Legal Advocacy
Andwele Beatty, Paralegal Advocate Charlotte Center for Legal Advocacy

J. Wayne Riggins, Partner Cape Fear Eye Associates

Pamela Thombs, Managing Atty. Legal Aid of North Carolina, Inc.

Nancy LaPlaca, President LaPlaca and Associates, Inc.
Claudette M Silver, Owner Silver Muse Productions

Keither Herbin, Owner Social Bizzar, LLC

Elaine Mcgilveary
Cassandra Blackston
Resident
Lakiesiette Blackston
Resident
Karen Sansom-Goodman
Martella Allen
Resident

Abbie Lame, Candidate NC House 23 Resident
Karen Clark Resident

Jade Dell Resident
Karen Mallam Resident
Denise Finck-Rothman Resident

Jovita Lee Resident

Ernestine Ledbetter Resident
Catherine Murphy Resident