



Staff Report Item 12

TO: East Bay Community Energy Board of Directors

FROM: Kelly Brezovec, Sr Manager of Account Services

SUBJECT: Extension of Temporary Revision to Terms and Conditions Section "Failure to Pay" and Temporary Suspension of Delinquent Accounts and Collections Policy

DATE: January 20, 2021

Recommendation

Adopt a Resolution to extend the temporary suspension of certain Customer Terms and Conditions and Administrative Policies and extend the suspension of the "Failure to Pay" section of the Service Terms and Conditions of the Delinquent Accounts and Collections Policy for an additional 91 days until April 21, 2021.

Background and Discussion

On March 18, 2020, the Board approved a resolution temporarily increasing the signing authority of the Chief Executive Officer for a period of 90 days to maintain operations during the COVID-19 pandemic, until June 16, 2020. The resolution also included the following:

Section 2. For a period of 90 days, the Board hereby authorizes the CEO to suspend the following customer terms and conditions and administrative policies:

- (a) Customer terms and conditions related to 'Failure to Pay' and
- (b) Delinquent Accounts and Collections Policy.

On June 17, 2020, the EBCE Board extended the suspension of the "Failure to Pay Section" of the Service Terms and Conditions of the Delinquent Accounts and Collections Policy for an additional 90 days, through September 14, 2020.

On October 21, 2020, the Board again extended the suspension of the “Failure to Pay Section” of the Service Terms and Conditions of the Delinquent Accounts and Collections Policy for an additional 91 days, through January 20, 2021.

PG&E has suspended service disconnections for non-payment for all residential and small business customers until further notice. Staff proposes that EBCE extend the suspension period for our own collections and “failure to pay” activities for an additional 91 days, through the board meeting on April 21, 2021. Unless the suspension is further extended by the Board, the approved EBCE policies regarding a failure to pay and delinquent account and collections would again become effective on April 22, 2021.

Staff expects to have an update on the state of this policy in April based on the California Public Utilities Commission Resolution M-4842, dated April 16, 2020, Emergency Authorization and Order Directing Utilities to Implement Emergency Customer Protections to Support California Customers During the COVID-19 Pandemic. Resolution M-4842 extended customer protections through April 16, 2021, with an option to extend as needed.

Financial Impacts

The financial impact is minimal given the limited pool of customers who would be eligible for return to PG&E and for collections.

Attachments

- A. Resolution of the Board of Directors of the East Bay Community Energy Authority to Extend the Temporary Suspension of Certain Customer Terms and Conditions and Administrative Policies for an additional 91 days until April 21, 2021
- B. P-2018-4 Delinquent Accounts and Collections Policy

RESOLUTION NO. R-2021 -

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO EXTEND THE TEMPORARY SUSPENSION OF CERTAIN CUSTOMER TERMS AND CONDITIONS AND ADMINISTRATIVE POLICIES FOR AN ADDITIONAL NINETY-ONE (91) DAYS UNTIL APRIL 21, 2021

WHEREAS The East Bay Community Energy Authority (“EBCE”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of EBCE and parties to the JPA in March of 2020.

WHEREAS, in December 2019, an outbreak of respiratory illness due to a novel coronavirus (a disease now known as COVID-19), spread around the world, impacting more than 75 countries, including the United States; and **WHEREAS**, since the federal Centers for Disease Control and Prevention (“CDC”) confirmed the first possible case of community spread of COVID-19 in the United States on February 26, 2020, there has been a significant escalation of United States domestic cases and deaths from COVID-19; and

WHEREAS, on March 4, 2020, Gavin Newsom, Governor of the State of California, proclaimed a state of emergency to exist in California due to the spread of COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States declared a national state of emergency due to COVID-19; and

WHEREAS, as of October 1, 2020, the California Department of Public Health reported over 835,000 cases and over 16,000 fatalities in the state; and

WHEREAS, as of December 24, 2020, the California Department of Public Health reported that statewide Intensive Care Unity capacity is only 1.1 percent, the state has reported over 2 million COVID-19 cases and 23,000 fatalities; and,

WHEREAS, many EBCE customers continue to face ongoing economic hardships as fall out the COVID-19 global health pandemic; and

WHEREAS, on March 18, 2020, the Board of Directors resolved to temporarily suspend, for a period of 90 days, certain customer terms and conditions and administrative policies associated with collections and customer payments; and

WHEREAS, on June 17, 2020, the Board of Directors resolved to extend, for an additional 90-day period, certain customer terms and conditions and administrative policies associated with collections and customer payments; and

WHEREAS, on October 21, 2020, the Board of Directors resolved to temporarily suspend, for a period of 91 days, certain customer terms and conditions and administrative policies associated with collections and customer payments; and

WHEREAS, it is understood that PG&E will be suspending disconnection services until further notice; and

WHEREAS, the California Public Utilities Commission has extended emergency customer protections through April 16, 2021, with an option to extend; and

WHEREAS, EBCE desires to further extend the temporary suspension of certain customer terms and conditions and administrative policies associated with collections and customer payments.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. For a period of 91 days, through April 21, 2021, the Board hereby authorizes the CEO to suspend the following customer terms and conditions and administrative policies:

- (a) Customer terms and conditions related to 'Failure to Pay' and
- (b) Delinquent Accounts and Collections Policy.

Section 2. Unless extended by the Board, this Resolution shall expire and be of no further force or effect on April 22, 2021, at which point the approved terms and policy shall resume to be effective.

ADOPTED AND APPROVED this 20th day of January 2021.

Dan Kalb, Chair

ATTEST:

Stephanie Cabrera, Clerk of Board



**POLICY NO. 2018 - 4
Delinquent Accounts and
Collections**

**Agenda: February 7, 2018
Item No.: 7
Resolution: No Resolution
associated with policy**

Subject: Delinquent Accounts and Collections Policy

Policies:

Delinquent Accounts:

Pursuant to Electric Rules 8 and 11, Pacific Gas & Electric (PG&E) uses the following process to determine past due accounts and the necessary action:

Residential Accounts		Non-Residential Accounts	
Day 1 - Issuance of Bill	Customer Receives Bill	Day 1 - Issuance of Bill	Customer Receives Bill
Day 22	Past Due	Day 18	Past Due
Day 27 - 33	15 Day Notice on Next Bill	Day 21	7 Day Notice Delivered
Day 41-47	48 Hour Notice via Mail	Day 29	24 Hour Phone Call or In Person Notice
Day 45 - 51	24 Hour Phone Call or In Person Notice	Day 32	Account is Eligible for Disconnection
Day 50-56	Account is Eligible for Disconnection		

Aging Accounts:

All EBCE accounts, whether Residential or Non-Residential, identified in the month aging accounts receivable report, as provided by PG&E, with outstanding balances over 90 days or more are eligible to be returned to PG&E.

EBCE Residential customer accounts exceeding \$250 in charges overdue for more than 90 days will be sent a late payment notification by EBCE. The customer will be provided 60 days to pay or make payment arrangements. If payment in full is not received within 60 days from the date of notification, or the terms of an activated payment arrangement are not fulfilled, the EBCE customer account may be closed and returned to PG&E bundled generation service on the next account meter read date. Residential customers returned to PG&E will be charged the applicable EBCE opt-out fee.

EBCE Non-Residential customer accounts exceeding \$500 in aggregate in unpaid charges for 60 days or more will be sent a late payment notification by EBCE. The customer will be provided 30 days to pay or make payment arrangements. If payment in full is not received within 30 days of the date of notification, or the terms of an activated payment arrangement are not fulfilled, the EBCE customer account may be closed and returned to PG&E bundled generation service on the next account meter read date. Non-residential customers returned to PG&E will be charged the applicable EBCE opt-out fee.

Collections:

Closed East Bay Community Energy accounts with overdue amounts greater than \$100 may be referred to a collection agency. Amounts \$100 or less may be written off. PG&E may close customer accounts before payment delinquencies bring them to the attention of EBCE operations. When PG&E closes customer accounts, these accounts are also closed in the EBCE program. In these cases, the thresholds outlined in the preceding paragraphs apply in either referring closed accounts to collections or writing off balances.