

# Consent Item 7

TO: East Bay Community Energy Board of Directors

**FROM:** Kelly Brezovec, Sr Manager of Account Services

SUBJECT: Extend the Temporary Suspension of and Revise Certain Customer Terms and Conditions and Administrative Policies

**DATE:** October 20, 2021

## **Recommendation**

Adopt a Resolution to extend the temporary suspension of and revise certain customer terms and conditions and administrative policies.

#### **Background and Discussion**

Over the course of 2020 and 2021, the Board approved Resolutions to temporarily authorize 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.

Though slated to end September 30, 2021, PG&E suspended service disconnections for non-payment for all residential and small business customers until January 1, 2022. EBCE matched that previous timeline for the suspension of our own collections and "failure to pay" activities.

Throughout the month of September, PG&E automatically enrolled eligible residential and small commercial customers with a balance at least 60 days past due in 24-month payment plan. Customers remain on the plan unless they miss more than two payments (residential) or one payment within a 12-month period (small commercial).

Given that PG&E's disconnection moratorium has been extended until January 1, 2022, staff requests that we also extend the temporary suspension of our Failure to Pay and collection policies until January 1, 2022. Additionally, since most customers

with past due balances are currently on payment plans (which makes them ineligible for disconnection), EBCE staff proposes to reinstate our "Failure to Pay" policy and Delinquent Accounts and Collections Policy on January 1, 2022, but with the revision that the policies will not apply to customers who are actively participating in a payment plan.

# 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 and Revise Certain Customer Terms and Conditions and Administrative Policies
- B. Revised Service Terms and Conditions
- C. Revised Delinquent Accounts and Collections Policy

# **RESOLUTION NO. R-2021-xx**

# A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO EXTEND SUSPENSION OF AND REVISE CERTAIN CUSTOMER TERMS AND CONDITIONS AND ADMINISTRATIVE POLICIES

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

WHEREAS, throughout 2020 and thus far in 2021, the Board of Directors resolved on multiple occasions to temporarily suspend certain customer terms and conditions and administrative policies associated with collections and customer payments; and

WHEREAS, PG&E has suspended disconnection services through January 1, 2022; and

WHEREAS, throughout September 2021, PG&E has placed residential and small commercial customers with a balance past due more than 60 days on payment plans, which makes these customers ineligible for disconnection; and

WHEREAS, EBCE desires to extend the suspension of and revise certain customer terms and conditions and administrative policies associated with collections and customer payments in order to continue to support the recovery of customers from the financial impacts of COVID-19.

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

<u>Section 1.</u> For a period of 92 days from September 30, 2021 through December 31, 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.

<u>Section 2.</u> Unless extended by the Board, this suspension shall expire and be of no further force or effect on January 1, 2022, at which point the approved terms and policy shall resume to be effective.

<u>Section 3.</u> The Board hereby approves revisions to the Customer Terms and Conditions and administrative policy related to:

(a) Service Terms and Conditions related to 'Failure to Pay', as shown in Exhibit A; and

(b) Delinquent Accounts and Collections Policy, as shown in Exhibit B.

ADOPTED AND APPROVED this 20th day of October 2021.

Dianne Martinez, Chair

ATTEST:

Adrian Bankhead, Clerk of Board

# Proposed Revisions

## Service Terms and Conditions

## **Enrollment and Service Options**

East Bay Community Energy (EBCE) is the default electric provider serving Alameda County (except the City of Alameda) and the city of Tracy.

## Bright Choice

Most accounts within EBCE's coverage area are automatically enrolled in EBCE's Bright Choice service, which is powered by at least 5% more renewable energy than Pacific Gas and Electric's (PG&E) power content forecast each year and offered at a 1% discount to the corresponding PG&E rate. Customers may request to opt up or opt out and return to PG&E bundled service at any time, subject to the opt out guidelines described below. Bright Choice electric generation rates are set below PG&E electric generation rates, inclusive of utility exit fees. More information about rates can be found at ebce.org/rates.

## Brilliant 100

Brilliant 100 is EBCE's 100% carbon-free service, offered at the same cost as the corresponding PG&E rate inclusive of utility exit fees. Brilliant 100 customers may choose to opt down to the standard Bright Choice service or opt up to Renewable 100 service. Changes in a service option are effective as of the customer's next billing cycle. As of June 2020, Brilliant 100 is no longer accepting new enrollments except in the cities of Newark, Pleasanton, and Tracy. Brilliant 100 service is scheduled to close to all customers in January 2022.

#### Renewable 100

Customers have the option to opt up to EBCE's 100% renewable energy service, Renewable 100, offered at \$0.01/kWh above the PG&E rate inclusive of utility exit fees. Renewable 100 customers may choose to opt down at no cost. Changes in a service option are effective as of the customer's next billing cycle.

#### Default Service by Jurisdiction, Customer Class, and Program Participation

In an effort to support sustainability goals, certain cities have chosen to enroll customers in their jurisdictions in different services based on customer class and program participation, as indicated in the table below. Customers are free to change their service option at any time, which will become effective as of the customer's next billing cycle.

Jurisdiction	Commercial Customers	Residential Customers	Customers on CARE, FERA, Medical Baseline
Albany	Brilliant 100*	Brilliant 100*	Brilliant 100*
Hayward	Brilliant 100*	Brilliant 100*	Bright Choice
Piedmont	Bright Choice	Renewable 100	Brilliant 100
Pleasanton	Brilliant 100	Brilliant 100	Bright Choice
All other jurisdictions**	Bright Choice	Bright Choice	Bright Choice

## **Default Enrollment Service**

\*Brilliant 100 product was the default until August 1, 2020, when the default was changed to Bright Choice

\*\*Berkeley, Dublin, Emeryville, Fremont, Livermore, Newark, Oakland, San Leandro, Tracy, Union City, and County of Alameda

## Rates, Fees and Programs

EBCE's electric generation rates are managed to provide greener electricity to our community at competitive rates. Any future rate changes will be adopted at duly noticed public meetings of the EBCE Board. You can view EBCE rates online at ebce.org/rates, or call 1-833-699-EBCE (1-833-699-3223) for more information. Rates and cost comparisons may change over time.

As an EBCE customer, PG&E charges you a monthly Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge. EBCE has accounted for these additional exit fees and charges in its rate setting process. Please contact PG&E for more information about these charges.

Financial assistance programs including CARE (California Alternate Rates for Energy), FERA (Family Electric Rate Assistance), and Medical Baseline Allowance remain the same with EBCE. If you are enrolled in any of these programs with PG&E, they continue to apply to you as an EBCE customer.

#### Billing

As an EBCE customer, you continue to receive a single monthly bill from PG&E that includes all electricity-related charges, including EBCE's electric generation charges. EBCE generation charges are not duplicate or extra fees. You make a single monthly payment to PG&E, and PG&E forwards your payments for electric generation to EBCE. PG&E continues to charge for gas services, transmission, distribution, public goods programs and other non-generation charges at the same rates it charges customers who do not receive EBCE service.

## Opt Out

You may opt out of EBCE electric generation service at any time by calling 1-833-699-EBCE (1-833-699-3223) or by completing the opt-out form at ebce.org/optout. You will need your PG&E account information to begin the opt-out process.

There is no fee to opt out before enrollment or in the first 60 days of receiving EBCE service. If you opt out 60 or more days after EBCE service begins, you will be charged a one-time termination fee of \$5 per residential account or \$25 per commercial account. These fees are waived for customers in Newark, Pleasanton, and Tracy until April 2022. All customers are also subject to PG&E's terms and conditions of service, which prohibit you from returning to EBCE for a full year after your opt-out date.

If returning to PG&E generation service after receiving EBCE service for more than 60 days, PG&E requires that you choose one of the following options:

Option 1: Return to PG&E generation service at the end of the current billing cycle. You will be billed at PG&E's transitional rates for a six-month period, and PG&E's standard bundled electricity rates thereafter.

Option 2: Give six month's advance notice of your intent to return to PG&E generation service. At the end of the six-month notice period, you will be returned to PG&E service and billed PG&E's standard bundled electricity rates.

Accounts of customers who have requested to opt out will be transferred on the next day their electric meter is read. Accounts cannot be transferred in the middle of a billing cycle. Your opt out request must be received at least 5 business days prior to your meter read date in order to switch service to PG&E before your next billing cycle begins. All other opt out requests will be processed on the subsequent meter read date. If you opt out or otherwise stop receiving service from EBCE, you will be charged for all EBCE electricity used before ending EBCE electric service.

#### Failure to Pay

If you fail to pay your bill, EBCE may transfer your account to PG&E upon 30 days' written notice for commercial customers and 60 days' written notice for residential customers. If your account is transferred, you will be required to pay the opt out fees described above. This provision is suspended until at least December 31, 2021 and does not apply to any customer that is participating in a payment plan.

#### **Customer Confidentiality**

EBCE is committed to protecting customer privacy. EBCE's policy on customer confidentiality can be found at ebce.org/confidentiality or by calling 1-833-699-EBCE (1-833-699-3223).



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, with the exception of any customer who is currently participating in a payment plan.

EBCE Residential customer accounts not participating in a payment plan and 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 not participating in a payment plan and 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.