BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2020-106-A - ORDER NO. 2020-344

MAY 7, 2020

IN RE: Actions in Response to COVID-19

-) ORDER ON PETITION
-) FOR WAIVER OF
-) CERTAIN COMMISSION
-) REGULATIONS AND
-) FOR AMENDMENT OF
-) COMMISSION ORDER
-) RELATED TO COVID-19
-) PANDEMIC

This matter comes before the Public Service Commission of South Carolina ("the Commission") on the South Carolina Office of Regulatory Staff ("ORS") Petition to waive the requirement that deferred payment plans ("DPPs") for the payment of arrearages on regulated utility bills be limited to six months and allow utilities the ability to offer customers a longer deferred payment plan; and, also, to allow utilities an additional extension to file 2019 Annual Reports. These proposed waivers are in further response to the State of Emergency regarding the COVID-19 pandemic and the resultant increase in unemployment and other issues.

With regard to DPPs, the following Commission Regulations are relevant: S.C. Code Ann. Regs. 103-352.4.c; 103-452.4.c; 103-532.5; 103-732.7; and 103-633.5 (2012). These regulations require utilities to provide for arrangements of a deferred payment plan to enable a residential customer to make installment payments where the customer is unable to pay the full balance due for utility service. To qualify, the customer must pay

their current amount due, and pay not less than 1/6 of the past due balance for a period not to exceed six months. ORS requests a temporary waiver of these applicable regulations to allow utilities the flexibility to offer deferred payment plans longer than six months for past due amounts. ORS states that longer payment plans may help address the needs of customers who do not typically need deferred payment plans or assistance with utility bill payments.

Regarding the additional extension for utilities to file 2019 Annual Reports, this Commission issued Order No. 2020-243 on March 25, 2020, which granted ORS's request to allow utilities an additional 30 days to file annual reports such that those reports were due either April 30 or May 1, 2020. That Order also waived the relevant regulations governing the filing of annual reports for a 30-day period. These relevant regulations are S.C. Code Ann. Regs. 103-18, 103-231, 103-312, 103-412, 103.512.1, 103-612, and 103-712 (2012).

S.C. Code Ann. Regs 103-803 (2012) states that "In any case where compliance with any of Commission's Rules and Regulations produces unusual hardship or difficulty, or where circumstances indicate that a waiver of one or more rules or regulations is otherwise appropriate, such rule or regulation may be waived by the Commission upon a finding by the Commission that such waiver is not contrary to the public interest." Clearly, under the present circumstances facing South Carolina utilities' customers and the utilities themselves, compliance with the stated Commission Regulations can produce unusual hardship or difficulties, due to issues related to the COVID-19 pandemic for both the customers and the utilities. Further, we find that waiver of the stated regulations is not contrary to the public interest. In fact, we hold that, under the present circumstances, the waiver of the noted regulations is in the public interest, in that it provides flexibility to the utilities to offer deferred payment plans longer than six months, and provides additional time to the utilities to file 2019 Annual Reports, if they have not already filed such reports.

After examination of this matter, we agree with ORS in stating that the unemployment rate in South Carolina has skyrocketed, with many South Carolinians out of work, or working significantly reduced hours as a result of the pandemic, creating economic hardships for many ratepayers. Additionally, reduced usage from businesses is expected to impact the fixed cost recovery and revenue assumptions included in rates designed to collect the utilities' costs incurred in serving customers. We would also note that we have received several favorable comments from utilities regarding the proposals. We have not received any negative comments on the proposals.

Accordingly, we believe that more flexibility is necessary to assist utilities and their customers in mitigating the hardship many are currently facing, and hold, pursuant to S.C. Code Ann. Regs 103-803, that regulations on Deferred Payment Plans noted above are temporarily waived, so that utilities can offer customers greater flexibility and terms longer than six months to pay arrearages on their utility bills. Further, we also amend Order No. 2020-243 to grant utilities until June 5, 2020, to file their 2019 Annual Reports, if they have not already done so. We also continue the waiver of applicable regulations noted in Order No. 2020-243 regarding the filing of Annual Reports until June 5, 2020, pursuant to S.C. Code Ann. Regs 103-803 (2012). We believe that the extra

time for filing will be helpful for the utilities while they are having to deal with matters related to the COVID-19 State of Emergency.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

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Comer H. "Randy" Randall, Chairman

ATTEST:

Jecely Boyd

Jocelyn Boyd, Chief Clerk/Executive Director