

Eaton, Scott

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**From:** Fabrizio, Lynn [Lynn.Fabrizio@puc.nh.gov]  
**Sent:** Wednesday, August 17, 2011 2:47 PM  
**To:** Eaton, Scott  
**Cc:** Ignatius, Amy L; Getz, Tom; Below, Clifton; Noonan, Amanda; Lucas, John; Morrell, Michael; Howland, Debra; Ross, F. Anne; Damon, Edward; Peters, Stacey  
**Subject:** Puc 1200 Uniform Customer Relations - Conditional Approval Request (8-17-11)  
**Attachments:** Puc 1200 Uniform Customer Relations - Conditional Approval Request - Annotated (8-17-11).doc

AUG 17 2011

Dear Scott –

Attached is the Public Utility Commission's "Conditional Approval Request – Annotated (8-17-11)" for Puc 1200, Uniform Administration of Utility Customer Relations. This version of the Puc 1200 rules includes annotated edits to the Final Proposal – Fixed Text filed with the Joint Legislative Committee on Administrative Rules (Committee) on July 28, 2011.

As you know, the New Hampshire Public Utilities Commission (Commission) approved on July 28, 2011, a Final Proposal for the Re-adoption with Amendment of the Puc 1200 rules. Since that date, the Commission has received and reviewed the annotations of Committee Staff. Commission Staff has carefully reviewed all comments and has resolved the majority of the issues raised. In addition, a few typographical errors have been corrected. The resulting revisions are shown in the attached document, for which we request the Committee's conditional approval.

We will be happy to walk through these edits at tomorrow's hearing. Please let us know if you have any questions. Thank you – Lynn

*Lynn Fabrizio*

Staff Attorney

New Hampshire Public Utilities Commission

21 South Fruit Street, Suite 10

Concord, NH 03301

lynn.fabrizio@puc.nh.gov

Tel: 603.271.6030

**CONDITIONAL APPROVAL  
REQUEST**

**FP 2011-26**

*Substantive comments remaining from  
the Final Proposal are on p. 11 + 13.*

**Readopt with Amendment Chapter Puc 1200, effective 10-22-04 (Document # 8912) to read as follows:**

CHAPTER Puc 1200 UNIFORM ADMINISTRATION OF UTILITY CUSTOMER RELATIONS

PART Puc 1201 PURPOSE AND SCOPE OF RULES

Puc 1201.01 Purpose. The purpose of these rules is to simplify and standardize the administrative processes by which customers and companies interact in order to increase the level of information and protection provided to both and ensure, as far as is possible, the equal application of these rules by all utilities.

Puc 1201.02 Scope of Rules. With the exception of Puc 1204 and where otherwise noted, these rules shall apply to any public utility providing electric, gas, sewer, steam, telephone, or water service to the public in the state of New Hampshire excluding limited electrical energy producers as defined in RSA 362-A. With the exception of Puc 1203.07, Puc 1203.11, Puc 1203.12, Puc 1203.16, Puc 1204.01, Puc 1204.02, Puc 1204.03, Puc 1204.04, Puc 1204.05 and Puc 1205 as such rules apply to residential customers only, these rules shall not apply to rural electric cooperatives for which a certificate of deregulation is on file with the Commission.

PART Puc 1202 DEFINITIONS

Puc 1202.01 "Arrearage" means any amount due to the utility for basic utility service which remains unpaid after the due date printed on the original bill.

Puc 1202.02 "Basic utility service" means any tariffed fee or rate that has been filed with and approved by the commission, or with respect to service provided by a telephone utility, as defined in Puc 402.01.

Puc 1202.03 "Commission" means the New Hampshire public utilities commission.

Puc 1202.04 "Complaint" means an expression of dissatisfaction by a customer which the utility has failed to resolve to the customer's satisfaction after the intervention of a supervisory employee of the utility or after the customer has requested such intervention.

Puc 1202.05 "Conference" means a meeting held in person or by telephone in which the customer, utility and commission staff participate.

Puc 1202.06 "Current bill" means the amount of money due to the utility for basic utility service, including all applicable state and federal taxes, rendered in the most recent billing period.

Puc 1202.07 "Customer" means any person, firm, partnership, corporation, cooperative marketing association, tenant, governmental unit, or a subdivision of a municipality, or the State of New Hampshire, who has contracted for electric, gas, sewer, steam, telephone, or water service from a utility.

Puc 1202.08 "Disconnection" means a technological function which occurs when a customer is physically or effectively separated or shut off from a utility service.

Puc 1202.09 "Due date" means the date no less than 25 calendar days from the bill date when the bill is sent electronically or via first class mail.

Puc 1202.10 "Financial hardship" means a residential customer has provided the utility with evidence of current enrollment of the customer or the customer's household in the Low Income Home Energy Assistance Program, the Electric Assistance Program, the Neighbor Helping Neighbor Program, the Link-Up and Lifeline Telephone Assistance Programs, their successor programs or any other federal, state or local government program or government funded program of any social service agency which provides financial assistance or subsidy assistance for low income households based upon a written determination of household financial eligibility.

Puc 1202.11 "Late payment" means any payment made to the company or its authorized agent after the due date printed on the bill.

Puc 1202.12 "Medical emergency" means a situation where a utility customer or member of the customer's household has a physical or mental health condition that would become a danger to the customer's or household member's physical or mental health in the absence of utility service as certified to the utility by a licensed physician, advanced practice registered nurse, physician's assistant or mental health practitioner as defined in RSA 330-A:2, VII.

Puc 1202.13 "Meter" means a device installed by a non-telephone utility to measure the amount of use.

Puc 1202.14 "Prime rate" means the rate reported in the Wall Street Journal on the first business day of the month preceding the beginning of each calendar quarter, or the average of the rates so reported on that day.

Puc 1202.15 "Tariff" means the current schedule of rates, charges, terms and conditions filed by a utility and either approved by the commission or effective by operation of law.

Puc 1202.16 "Termination" means a bookkeeping function which occurs when a customer account is closed permanently.

Puc 1202.17 "Undue delay" means more than 3 business days from the later of the date by which the customer complies with all application requirements or the date for which service was requested, except during severe storms, heavy seasonal activity, and other similar unforeseeable circumstances.

Puc 1202.18 "Utility" means every electric, gas, sewer, steam, telephone, and water individual or business entity determined to be a public utility under New Hampshire statutes, and every municipal authority furnishing any of the above services outside its municipal boundaries excluding those municipalities exempted from regulation by RSA 362:4.

Puc 1202.19 "Winter period" means the period beginning November 15<sup>th</sup> and extending up to and including March 31<sup>st</sup>.

## PART Puc 1203 SERVICE PROVISIONS

### Puc 1203.01 Initiation of Basic Utility Service.

(a) The utility may require all applicants for service under a utility's filed tariff to make application to the utility in writing, in accordance with the forms prescribed by the utility.

(b) An applicant for service may initially make an oral application for service. If the utility requires written confirmation as provided for in (a) above, the utility shall require such written confirmation of the oral application to be made within 10 calendar days.

(c) The location to which an applicant requests service shall be:

- (1) Within the utility's authorized franchise area; and
- (2) Equipped with existing utility facilities in compliance with local occupancy requirements.

(d) The utility shall make reasonable efforts to determine if the applicant has an outstanding balance with the utility at the time of the applicant's request for service.

(e) Notwithstanding (c) (2) above, upon receiving a request for service to a location where facilities do not exist, all utilities shall provide all facilities necessary for service, or initiate a request for such service, where the provision of service to the location is economically feasible and the customer has obtained all necessary easements and permits and paid all applicable fees under the utility's tariff, and those facilities shall be exempt from the timing constraints of Puc 1203.01(g) below.

(f) The utility may charge for connection of service as specified in its tariff.

(g) Upon compliance by an applicant with all application requirements, the utility shall:

- (1) Complete the service connection, where facilities exist which support the requested service, without undue delay; or
- (2) For telecommunication carriers that acquire facilities from a wholesale provider, submit the request to the wholesale provider without undue delay.

(h) When a telephone utility is unable to initiate service without undue delay as defined by Puc 1202.17 and notwithstanding the timeframe stated in Puc 403.02 (a), it shall maintain those records required by Puc 403.02.

(i) At the time a customer contracts for construction involving the installation or modification of utility services, the utility shall provide the customer with written or electronic notice stating that there might be additional charges assessed by other utilities for service requested by the customer from those utilities.

(j) A utility shall not connect service at a rate other than the applicable tariffed rate or rate schedule unless a special contract for such service is in effect.

(k) The utility shall not deny service to any otherwise qualified applicant based upon any of the following characteristics:

- (1) Income;
- (2) Home ownership;
- (3) Race;
- (4) Color;
- (5) Creed;
- (6) Gender;

- (7) Marital status;
- (8) Age, with the exception of unemancipated minors;
- (9) National origin; or
- (10) Disability.

Puc 1203.02 Information to Customers.

(a) Upon receiving a request for new service, the utility shall provide information as to what might be the most advantageous rate or rates available to that customer.

(b) Upon a customer's request, with the exception of telephone utilities, each utility shall provide a written description of the utility's method of reading meters and deriving billing therefrom.

(c) Except for telephone utilities which shall comply with the provisions of Puc 403.09, all utilities that file an application with the commission for a general rate change shall send to each of its customers a clear and concise statement of the rate schedules applied for and indicate which schedules are applicable to that customer.

(d) The information required to be distributed to customers under (c) above shall be distributed no later than 30 calendar days from the date of filing.

(e) Upon application for service and no less frequently than annually, each customer shall be provided with or notified of how to obtain a clear and concise statement of the existing rate schedules.

(f) The statement in (e) above shall be provided using one of the following methods:

- (1) Bill message;
- (2) Bill insert;
- (3) Separate mailing;
- (4) Website; or
- (5) Toll free telephone number.

(g) Gas and electric utilities shall indicate in the statements required by (e) above:

- (1) Whether the rate schedules are subject to a gas adjustment clause or any other periodic rate adjustment clause; and
- (2) The frequency with which rates under these clauses are subject to change.

(h) Telephone utilities shall include in the statements required by (e) above those rate schedules applicable to each of the major classes of customers for which there is a rate.

(i) The statements required by (c) and (e) above shall include the toll-free number of the commission's consumer affairs division: 1-800-852-3793.

(j) With the exception of sewer utilities, each utility shall provide notice on or with customer bills no less frequently than two times a year regarding medical emergency certification. The notice shall be consistent with the statement contained in Puc 1203.11(b)(2)k.

(k) All information required under Puc 1203.02 shall also be provided in a particular foreign language when 25% or more of the population within the utility's franchise area speaks that particular foreign language as its primary language. The determination of the percentage shall be made by the commission based upon data obtained from the New Hampshire office of state planning.

(l) Electric and gas utilities shall provide the public with copies of the commission prepared pamphlet "Consumers' Rights and Responsibilities" in the following manner:

- (1) The pamphlets shall be available and displayed prominently in all business offices of the gas and electric utilities;
- (2) The pamphlets shall be mailed, postage paid, to any person requesting a copy;
- (3) Notice that the pamphlet is available from the utility shall be provided a minimum of 3 times each year in or on all residential bills;
- (4) The cost of printing and distributing the pamphlets shall be borne by the gas and electric utilities in percentage amounts equal to the ratio representing the individual utility's gross revenues compared to the total gross revenues for all gas and electric utilities;
- (5) The number of pamphlets printed shall be no less than 10% of all residential consumers of the gas and electric utilities; and
- (6) A gas or electric utility's decision to independently incur additional costs to distribute copies or provide notice of the pamphlet's availability more frequently than required by these rules shall be deemed by the commission an appropriate expense of doing business.

Puc 1203.03 Deposits.

(a) As a condition of new residential service, a utility may require a deposit, or a written guarantee or direct debit account as provided for in (i) below, in the following circumstances:

- (1) When the customer has an undisputed overdue balance, incurred within the last 3 years, on a prior account with the utility or any similar type of utility, as described in (c) below;
- (2) When any utility has successfully obtained a judgment against the customer during the past 2 years for non-payment of a delinquent account for utility service;
- (3) When the utility has disconnected the customer's service within the last 3 years because the customer interfered with, or diverted, the service of the utility situated on or about the customer's premises; or
- (4) When the customer is unable to provide satisfactory evidence to the utility that he or she intends to remain at the location for which service is being requested for a period of 12 consecutive months, as described in (b) below, unless he or she provides satisfactory evidence that he or she has not been delinquent in his or her similar utility service accounts for a period of 6 months, as described in (b) below, in which case no deposit shall be required.

(b) For purposes of (a) above, the following shall apply:

- (1) Satisfactory evidence of intent shall consist of a copy of the customer's deed, lease or letter from a landlord; and

(2) Satisfactory evidence of non-delinquency shall consist of oral or written statements by a representative of the similar utility service.

(c) For purposes of (a) and (b) above, the following utilities shall be considered to be similar utilities:

- (1) For telephone utilities, telephone utilities;
- (2) For water utilities, water utilities;
- (3) For gas utilities, gas or electric utilities;
- (4) For electric utilities, gas or electric utilities;
- (5) For sewer utilities, sewer utilities; and
- (6) For steam utilities, gas, electric, or steam utilities.

(d) A utility's request for a deposit, as a condition of new residential service, shall be made within 30 calendar days of initiating new service.

(e) As a condition of existing residential service, a utility may require a deposit or a written guarantee or a direct debit account as provided for in (i) below, in the following circumstances:

(1) When the customer has received the following number of disconnect notices for nonpayment from the utility within a 12 month period:

- a. For customers billed monthly, 4 disconnect notices;
- b. For customers billed every 2 months, 3 disconnect notices; and
- c. For customers billed quarterly, 2 disconnect notices;

(2) When the customer's service has been disconnected for non-payment of a delinquent account;

(3) When the utility has disconnected the customer's service because the customer interfered with, or diverted, the service of the utility situated on, or delivered on or about, the customer's premises; or

(4) When the customer has filed for bankruptcy and listed the utility as a creditor under the filing, and the filing has been accepted, in which case the deposit requirement shall be in accordance with 11 U.S.C. 366.

(f) As a condition of any service other than residential service, a utility may require a deposit.

(g) As part of any residential deposit request, the utility shall inform the customer, orally and in writing, of the following:

(1) That the deposit shall be waived if the customer provides evidence of financial hardship unless the customer has previously interfered with, or diverted, the service of the utility situated on, or delivered on or about, the customer's premises;

(2) That a customer claiming financial hardship shall present evidence of financial hardship to the utility on an annual basis; and

(3) The option to provide a third-party guarantee in lieu of a deposit pursuant to (i)(1) below or, if offered by the utility, establish a direct debit account in lieu of a deposit pursuant to (i)(2).

(h) As part of any deposit request to a customer other than a residential customer, the utility shall inform the customer, orally and in writing, of the option to provide a third-party guarantee in lieu of deposit pursuant to (i)(1) below, or, if offered by the utility, establish a direct debit account pursuant to (i)(2) below in lieu of a deposit.

(i) In lieu of a deposit, a utility shall:

(1) Accept the irrevocable written guarantee of a responsible party such as a social service organization, a municipal welfare agency, a bank, or a customer in good standing of the utility as a surety for a customer service account, provided that any such guarantee shall:

a. Be in writing;

b. Include the maximum amount guaranteed; and

c. Specify that the utility shall not hold the guarantor liable for the sums in excess of the maximum amount guaranteed unless agreed to in a separate written agreement; or

(2) With the agreement of both the utility and the customer, establish a direct debit account whereby the customer's payment shall be automatically debited from his/her bank account each month.

(j) The responsible party assuring the guarantee referenced in (i)(1) above shall be released from liability and no further deposit shall be required from the customer at the point in time when all bills have been paid without delinquency for 12 consecutive months for a residential customer and 24 consecutive months for a non-residential customer.

(k) When a direct debit account is established in lieu of a deposit in accordance with (i)(2) above, the utility shall have the right to go back to the customer and request a deposit if the automatic withdrawal from the customer's account fails for 2 successive months as a result of insufficient funds in the customer's bank account.

(l) Any deposit required pursuant to Puc 1203.03 shall be subject to the following terms and conditions:

(1) The amount of deposit shall be:

a. No less than \$10; and

b. No more than the charge for utility service for a period of 2 high-use months, calculated as described below, exclusive of the highest-use month:

1. For new utility customers, high-use billing months shall be determined by estimation based on the following:

(i) Customer information about the prior customer at that service address;

(ii) For telephone utilities, information regarding usage by the customer at the customer's prior location(s); and

(iii) Customer specific characteristics; and



2. For current utility customers, high-use months shall be determined by either:
  - (i) Actual past bills from the prior 12 months, or
  - (ii) If current use customers have less than 12 months of actual service, high-use months shall be determined pursuant to 1. above;
- (2) All deposits shall accrue simple annual interest from the date of deposit to the date of termination;
- (3) Interest shall accrue at a rate equal to the prime rate;
- (4) When a deposit has been held longer than 12 months, interest shall be paid to the customer or credited to the customer's current bill not less than annually;
- (5) The entire deposit plus interest accrued shall be refunded when all bills have been paid without arrearage for 12 consecutive months for a residential customer and 24 consecutive months for a non-residential customer;
- (6) With the agreement of the customer, deposits plus the interest accrued thereon may be applied against the current bills until the balance of the deposit is exhausted;
- (7) Upon termination of service, the deposit plus interest accrued less any amount due the utility shall be refunded within 60 calendar days of the date of termination;
- (8) A utility shall maintain a detailed record of all deposits received from customers showing:
  - a. The customer's name;
  - b. The location of the service;
  - c. The date the deposit was made;
  - d. The amount of the deposit;
  - e. The amount of interest accrued;
  - f. The date refunded to the customer; and
  - g. Any amount credited to the customer's account;
- (9) The record required by (8) above shall be maintained by the utility for a period of 3 years subsequent to refunding the customer's deposit;
- (10) Either by mail or in person, a utility shall provide each customer with a receipt for any deposit, containing, at a minimum:
  - a. The customer's name;
  - b. The location of the service;
  - c. The date and amount of the deposit payment; and
  - d. A statement of the terms and conditions governing the receipt, retention, refund, and payment of interest, and the payment and refund of deposits, pursuant to Puc 1203.03; and

(11) The utility shall offer the customer the opportunity to pay the deposit in installments as follows:

a. Except as otherwise negotiated pursuant to b. and c. below, payment shall be in 3 monthly installments with the first payment due upon demand, the second payment due within 30 calendar days, and the final payment due within 60 calendar days, provided that:

1. The first payment shall be for no more than the charge for one month's utility service calculated as provided in Puc 1203.03(1)(1)b; and

2. The second and third payments shall be in equal installments of the remainder due.

b. Nothing shall prohibit the utility from negotiating payment of the deposit over a period longer than 3 months;

c. Nothing shall prohibit the customer from negotiating payment of the deposit over a period shorter than 3 months; and

d. Payment of the deposit in installments shall not relieve the customer of the obligation to pay the current bill in a timely manner.

(m) A utility shall not require a residential customer to make a deposit or furnish a guarantee as a condition of new or continued service based upon income, home ownership, residential location, race, color, creed, gender, marital status, age, national origin or disability and shall make such requirement only in accordance with Puc 1203.03.

(n) A customer may request a conference with the commission staff within 7 calendar days from receipt of the utility's request for a deposit if he/she is dissatisfied with a utility's request for deposit.

(o) Service disconnections resulting from the enforcement of Puc 1203.03 shall be delayed pending commission resolution of the customer's request for a conference pursuant to (n) above.

(p) As part of any deposit request, the utility shall inform the customer, orally and in writing, of his/her rights and responsibilities as described in (n) above.

Puc 1203.04 Meter Reading.

(a) Utilities which use meters shall read all service meters at regular intervals and on the corresponding day of each meter reading period insofar as practicable within regularly scheduled work days.

(b) Specific rules regarding meter readings for the utilities shall be found in Puc 300 for electric utilities, Puc 500 for gas utilities, and Puc 600 for water utilities.

Puc 1203.05 Implementation of Rate Changes.

(a) For purposes of this section, "unbilled revenues" means under collection of approved rates resulting from failure on the part of the utility to implement the rate on its effective date.

(b) Unless a utility petitions the commission for a waiver, all rate changes implemented as a result of a commission order, including changes occurring as a result of a fuel and purchase power adjustment clause, fuel adjustment clause, or cost of gas adjustment proceeding, shall be implemented on the basis of service rendered on or after the effective date of the approved rate change.

(c) When petitioning pursuant to Puc 201.05 for a waiver of the service-rendered basis presumption of (b) above, the utility shall, in addition to whatever else it might provide in making its petition, describe how, to the extent applicable, collection of the rate change on an other than service-rendered basis will:

- (1) Be less confusing to customers;
- (2) Cost less to implement;
- (3) Allow the utility to more closely match its revenue to its expenses; and
- (4) Give customers adequate notice of the changes in rates applicable to their usage.

(d) In the event of unbilled revenues, a utility may collect the unbilled, unpaid balance only after:

- (1) Providing the commission with the information listed in (e) below; and
- (2) Petitioning in writing for and obtaining commission authorization.

(e) A utility seeking approval to collect unbilled revenues shall provide to the commission in writing, the following:

- (1) A description of the failure to bill;
- (2) An explanation of why the failure occurred;
- (3) The proposed time period over which the utility proposes to recover the unbilled, unpaid balance and the utility's rationale for such action;
- (4) The impact on the monthly bills of customers; and
- (5) The number and percentage of customers included in the approved rate change who are affected by the error.

(f) The commission shall not authorize collection of unbilled revenues unless it determines that:

- (1) The utility's error was inadvertent;
- (2) The time period for collection of the unbilled revenues does not impose undue hardship on ratepayers; and
- (3) The proposed collection meets the standards contained in RSA 378:7.

Puc 1203.06 Bill Forms.

(a) This section shall apply only to electric, gas, sewer, steam and water utilities, not to telephone utilities. Specific rules regarding bill forms for telephone utilities shall be found in Puc 403.08.

(b) Bills shall be rendered at regular intervals.

(c) Bills shall indicate at a minimum:

- (1) The date of the current meter reading;
- (2) The current meter reading;

Unclear what the utility must do, or is allowed to do, if the nature of the medical or mental health emergency prevents the customer from arranging payments (e.g. the person is unconscious or mentally incapacitated without a durable power of attorney).

But PUC staff has indicated that such a circumstance is rare, and in practice utilities might check on the condition of customers. See comment to Puc 1203.07(n) on p. 13.

- (3) The prior meter reading;
  - (4) Any applicable penalty date;
  - (5) The approximate date of the next meter reading;
  - (6) All factors necessary to compute the charges;
  - (7) The charges;
  - (8) The utility's customer service phone number;
  - (9) A statement that customers should call the utility regarding billing questions; and
  - (10) A statement that customers may call the commission for further assistance after first attempting to resolve disputes with the utility.
- (d) Bills for residential and non-residential service customers shall include one of the following:
- (1) Summary of the current applicable rate; or
  - (2) Notice that a printed copy of the current applicable rate shall be furnished upon request.
- (e) Bills shall be delivered:
- (1) Via first class mail; or
  - (2) Via an electronic billing system when offered by the utility and elected by the customer.
- (f) Each utility shall keep an accurate account of all charges for service billed to each customer and shall maintain records showing information from which each bill rendered may be readily computed.
- (g) Upon request of a customer, a utility shall provide the customer with a clear and concise statement of the actual consumption of service by the customer for each billing period during the prior year.
- Puc 1203.07 Payment Arrangements.
- (a) With the exception stated in (b) below, when a residential customer is unable to pay the total arrearage due, the utility shall continue to provide service to the customer if the customer agrees to a payment arrangement wherein the customer shall:
- (1) Pay a reasonable portion of the arrearage as agreed by the customer and the utility;
  - (2) Pay the balance of the arrearage in reasonable installments as agreed to by the customer and the utility; and
  - (3) Pay the current bill and all future bills by the due date printed on the bill.
- (b) When a residential customer is unable to pay the total arrearage due and the utility has been notified that a medical emergency exists pursuant to Puc 1205, the utility shall continue to provide service to the customer if the customer agrees to a payment arrangement wherein additional flexibility is built into the payment arrangement, including but not limited to negotiating a flat monthly payment, for application to both the arrearage and the customer's current and future bills.

(c) In deciding upon the reasonableness of a payment arrangement, the customer and the utility shall consider the:

- (1) Size of the arrearage;
- (2) Estimated size of the customer's future monthly bills;
- (3) Customer's payment history;
- (4) Amount of time that the arrearage has been outstanding;
- (5) Reasons why the arrearage is outstanding and whether those reasons will or will not continue during the course of payment; and
- (6) Customer's ability to pay.

(d) For an arrearage resulting from a non-registering meter, inaccurate meter, meter reading error, or a reconciliation between estimated billings and actual usage, the payment arrangement shall extend for a minimum period of time equal to the period of time for which the error is being re-billed.

(e) For billing adjustments due to specific meter inaccuracies, Puc 305.04(b), Puc 505.05(b), and Puc 605.05(b) shall apply.

(f) The utility may require payment at shorter than monthly intervals if the payment arrangements are made in lieu of disconnection or upon reconnection without a deposit.

(g) The utility shall confirm all payment arrangements in writing and issue a copy to the customer by mail or by hand within 5 business days of the date the arrangement is made.

(h) Written confirmation, pursuant to (g) above, shall include a statement that:

- (1) Failure to comply with the payment arrangement can result in disconnection without further notice; and
- (2) The customer can contact the commission's consumer affairs division if the customer disagrees with the confirmation.

(i) The purpose of written confirmation as required by (g) above shall be to assure the customer of an opportunity to review and verify the terms of the payment arrangement.

(j) The utility shall not disconnect any customer for failure to comply with a payment arrangement which has not been timely confirmed in writing and received by the customer. For purposes of this section, receipt by the customer of a mailed confirmation shall be presumed 3 calendar days subsequent to mailing, or the actual date of delivery when known.

(k) The utility may disconnect without additional notice any customer for failure to comply with a properly confirmed payment arrangement, except as provided for in Puc 1204 and Puc 1205.

(l) A customer may make payments pursuant to a properly confirmed payment arrangement to an authorized agent of the utility.

(m) At the conclusion of every payment agreement negotiation, the utility representative shall advise the customer that he/she may contact a member of the commission's consumer affairs division for review of the reasonableness of the arrangement offered by the utility.

Unclear. PUC staff has indicated that potential mental incapacity or lack of understanding by a customer would also be addressed in this process through conversations with the customer.

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(n) After reviewing the information provided pursuant to (c) above, the commission's consumer affairs division shall waive the requirement of Puc 1203.07(a)(1), Puc 1203.07(a)(3), or both if it considers that requirement overly burdensome given the customer's financial circumstances, the amount due, and the customer's payment history with the utility.

#### Puc 1203.08 Penalties and Charges.

(a) Subject to the following requirements, a utility may charge and collect a late payment charge for overdue bills of all non-financial hardship customers:

(1) The late payment charge on any overdue bill shall not exceed the amount set forth in the utility's tariff approved by the commission;

(2) The commission shall approve proposed late payment charges as follows:

a. The commission shall grant approval of a utility's proposed late payment charge tariff, whether new or amended, only if the utility demonstrates that proposed charge does not exceed the actual costs incurred by the utility due to lateness;

b. To demonstrate that a proposed charge does not exceed costs, the utility shall provide the commission with:

1. Aggregate carrying cost information;

2. Aggregate administrative cost information; and

3. Other relevant information in the aggregate or with respect to the individual customer;

(3) A late payment charge may be imposed only after the due date printed on the bill; and

(4) The date of payment to the utility's authorized agent shall be considered the payment date for purposes of this section.

(b) A utility may impose a charge on a customer account whenever a check or draft presented for payment of service is not accepted by the institution on which it is written.

(c) The amount of the charge permitted by (b), above, shall be the greater of \$5 or the actual administrative cost of recovery as specified in the utility's tariff.

(d) A customer claiming financial hardship under this section shall provide evidence of financial hardship to the utility on an annual basis.

#### Puc 1203.09 Complaints by Customers.

(a) Each utility shall make a full and prompt investigation of customer complaints made either directly to the company or through the commission.

(b) A utility shall keep a record of complaints received for at least 2 years.

(c) The record of each complaint shall show:

(1) The name, address, and telephone number, if known and available, of the complainant;

(2) The date and character of the complaint; and

(3) The resolution of the complaint, if any.

(d) Pursuant to RSA 365:2, the commission shall send to the utility a copy of each applicable written complaint it receives.

Puc 1203.10 Termination of Service.

(a) A utility may require a customer to provide reasonable notice of intent to terminate service as follows:

(1) The period of the notice required by the utility pursuant to (a) above shall be noted in the utility's tariff;

(2) The notice period required by the utility shall not exceed 4 business days; and

(3) Until expiration of the notice period, the customer shall be responsible for all charges incurred for service.

Puc 1203.11 Disconnection of Service.

(a) This section shall not apply to sewer or telephone utilities. Regulation of disconnection of telephone service shall be found in Puc 403.03. Regulation of disconnection of sewer service shall be found in Puc 703.08.

(b) Except in the circumstances described in Puc 1203.07(k) or listed under (c) below, a utility shall provide notice of disconnection that includes the following information:

(1) For purposes of this section, notice of disconnection to a residential or non-residential customer shall consist of written notice setting forth the information listed in (2) below, postmarked 14 calendar days prior to the proposed date of disconnection;

(2) Notice of disconnection shall set forth in clear, concise, and conspicuously printed words the following information:

a. The name and mailing address of the customer;

b. The service address, if different from the mailing address;

c. The account number;

d. The proposed date of disconnection of service;

e. A conspicuous statement that the notice of disconnection may be disregarded if the customer has negotiated a current payment arrangement pursuant to Puc 1203.07;

f. The reason for the disconnection of service;

g. The possible consequences of disconnection, such as deposit requirement, reconnection fee, and/or any other similar consequences;

h. The address and telephone number at which the customer may contact the utility;

i. The toll-free telephone number of the commission's consumer affairs division, which is: 1-800-852-3793;

j. The method by which the customer may question or contest the disconnection notice, preceded in conspicuous type by the words "Important Notice - Your Rights";

k. The statement or a statement substantively consistent with the statement: "MEDICAL EMERGENCY- If you believe that a medical emergency exists in your home or would exist if your service were to be disconnected; you may be protected from disconnection. Please contact us at [insert telephone number of the utility] for more information."; and

l. Any additional data which the utility deems pertinent.

(c) Notice to a residential or non-residential customer shall not be required if the utility notifies the commission of the disconnection within 48 hours of the disconnection and one of the following conditions exists:

(1) The customer has obtained utility service in an unauthorized manner or used utility service fraudulently;

(2) The customer has clearly abandoned the property as demonstrated by the fact that the service address premises have been unoccupied and vacant for a period of 60 calendar days;

(3) A condition dangerous to the health, safety or utility service of others exists; or

(4) Clear and present danger to life, health or physical property exists;

(d) The requirements of (c) above shall not impose a duty on utilities to know of any dangerous condition, or to insure against any such condition; and

(e) The notification to the commission required in (c) above shall not apply where the disconnection has occurred at the request of municipal officials such as fire, police, or other public safety departments.

(f) Except as limited by (g) below and Puc 1204 and Puc 1205, a utility may disconnect service to a residential customer after notice if any one of the following circumstances exists:

(1) When the customer has failed to pay an arrearage after proper demand therefore;

(2) When the customer has failed to pay a deposit request, or to establish a direct debit account, or provide an acceptable third-party guarantee in lieu of the deposit pursuant to Puc 1203.03;

(3) When the customer has failed to pay the bill and failed to enter into a payment arrangement for payment of the bill on or before the due date printed on the bill; or

(4) When the customer refuses access to the residential premises for a necessary inspection of utility property, including but not limited to the reading of meters.

(g) A utility shall not disconnect a residential customer's service and a notice of disconnection shall not be sent to a residential customer if any of the following conditions exist:

(1) The customer's arrearage is less than 60 calendar days outstanding and is less than \$50;

(2) The unpaid bill results from other than basic utility service, such as merchandise, appliance sales, or repairs;



(3) A municipal welfare office has guaranteed payment of current bills on behalf of the customer, pursuant to the town's public welfare obligations under RSA 165, and the customer agrees to enter into a reasonable arrangement for repayment of the amount in arrears pursuant to Puc 1203.07; or

(4) The arrearage is for prior residential service furnished in the name of someone other than the customer of record unless:

a. The customer of record and the above mentioned person other than the customer of record resided together at the address where the arrearage was incurred;

b. Both that person and the customer of record received the benefit of the utility service;

c. Both that person and the customer of record reside together at the current service address and receive the benefit of the current utility service; and

d. The person other than the customer of record refuses to enter into a payment arrangement subject to all the provisions of Puc 1203.07.

(h) A utility may disconnect service to a non-residential customer after proper notice if any of the following conditions exist:

(1) The customer has failed to pay any arrearage remaining unpaid after proper demand therefore;

(2) The customer has violated any tariff provision;

(3) The customer has failed to pay a properly requested deposit, establish a direct debit account or provide an acceptable third party guarantee; or

(4) The customer refuses access to the premises for a necessary inspection of utility property, including but not limited to the reading of meters.

(i) Unless special arrangements are made with the customer, a utility shall only disconnect service to its residential customers from 8:00 am to 3:30 pm Monday through Thursday.

(j) The utility shall not disconnect service to its residential customers during the time specified by (i) above if the proposed disconnection would occur on:

(1) A state or federal holiday;

(2) The day preceding a state or federal holiday;

(3) A day the commission is closed to the public; or

(4) The day preceding a day the commission is closed to the public.

(k) Unless special arrangements are made with the customer, a utility shall only disconnect service to its non-residential customers from 8:00 am to 3:30 pm Monday through Friday.

(l) The utility shall not disconnect service to its non-residential customers during the time specified by (k) above if the proposed disconnection would occur on:

(1) A state or federal holiday; or

(2) A day the commission is closed to the public.

(m) The utility shall have 8 business days from the date of the proposed disconnect in which to implement the disconnection.

(n) Except as limited in Puc 1205.05, before disconnection of residential service, the utility employee disconnecting the service shall notify an adult occupant of the premises or leave a written notice if no adult is at the premises.

    (o) The notice provided under (n) above shall include the following information:

- (1) Procedures the customer must follow to be reconnected;
- (2) The address and telephone number at which the customer may contact the utility; and
- (3) The toll-free telephone number of the commission's consumer affairs division, which is: 1-800-852-3793.

(p~~l~~) When the utility sends an employee to a residential customer's premises for the purpose of disconnecting service and the customer tenders payment of the past due amount in full to prevent disconnection, the employee shall act as follows:

- (1) The utility's employee shall accept the payment, provide the customer with a receipt, and leave the service intact as long as the following is true:
  - a. The employee shall know the full past due amount to be paid to bring the customer's account current;
  - b. The employee shall not be required to make change; and
  - c. The employee shall not be required to negotiate payment arrangements; or
- (2) Without disconnecting the customer's service, the utility's employee shall direct the customer to go immediately to the utility's nearest office or payment agency and tender payment there.

(q~~m~~) A utility may charge for collection of payment at the customer's premises in accordance with the utility's tariffs on file with the commission.

(r~~n~~) The utility shall not be required to follow the procedures described in (l) above more than 2 times in a 12 month period.

(s~~e~~) A utility may use a third party to conduct collection activities provided:

- (1) The third party complies with Puc 1200; and
- (2) For all accounts other than terminated accounts, the use of a third party is transparent to the customer.

(t~~p~~) The commission shall impose a moratorium on disconnections of service when there exists an imminent peril to the public's health, safety or welfare.

(u~~q~~) Utilities shall maintain records showing the:

- (1) Number of disconnection notices sent out annually; and
- (2) Annual number of and reasons for actual disconnections.

Puc 1203.12 Disconnection of Service in Residential Tenant/Landlord Situations.

(a) This section shall apply to:

- (1) Utilities other than sewer or telephone utilities; and
- (2) Situations where the landlord is the utility's customer of record.

(b) "Tenant", for purposes of this section, means a person who rents and occupies a room in a rooming house or a person who rents and occupies a dwelling unit, in a building or mobile home park owned by another, consisting of contiguous living, sleeping, kitchen and bathroom facilities for the exclusive use of that person and his or her immediate family. Tenant specifically excludes a person who rents a unit for short-term, vacation, or recreation purposes.

(c) Except in the circumstances listed under (e) below, no utility shall disconnect service to a customer if any part of the service provided accrues to the benefit of one or more parties known by the utility to be residential tenant(s) as defined in (b) above, unless the utility gives written notice to those tenants pursuant to (d) below.

(d) Written notice of disconnection shall set forth:

- (1) The date on or after which the utility proposes to disconnect service;
- (2) A statement that the reason for disconnection is a dispute between the utility and the landlord;
- (3) A statement that the tenant should contact the landlord for more information regarding the dispute;
- (4) A statement that the tenant has a right to put service in his or her own name and thereby become the customer of record pursuant to (h) below;
- (5) An address and telephone number at which the tenant may contact the utility; and
- (6) The toll-free telephone number of the commission's consumer affairs division.

(e) A utility may disconnect service without giving notice to tenants in the following circumstances:

- (1) When necessary to avoid danger to life, health, or property; and
- (2) Upon the order of a duly constituted public authority such as police, firefighters, public health officers, and building inspectors.

(f) Immediately upon learning that a tenant has been erroneously disconnected without notice, the utility shall reconnect service at no cost to the tenant and shall proceed with proper notice pursuant to this section.

(g) Delivery of written notice shall be made on the tenants at least 10 calendar days in advance of the proposed disconnection in the following manner:

(1) By posting a conspicuously lettered notice at least 10 calendar days prior to the proposed date of disconnection in a common area or such other place within the building or mobile home park as is likely to receive the attention of the tenants; and

(2) In addition to (1) above, a utility shall choose to deliver written notice by one of the following methods:

a. Posting or hanging the notice on the front or back door of each tenant's dwelling unit;

b. Sliding the notice under the front or back door of each tenant's dwelling unit; or

c. By mail which is postmarked not less than 14 calendar days prior to the proposed date of disconnection and addressed to each tenant by name or to the "occupant" of each affected dwelling unit.

(h) The utility shall provide service to a tenant in the tenant's own name as customer of record if so requested, subject to the terms and requirements of the utility's tariff and this chapter, without requiring the tenant to pay any part of the landlord's past due balance as a condition of receiving service.

Puc 1203.13 Reconnection of Service.

(a) When the cause for a disconnection has been removed, the utility shall reconnect service upon the customer's request.

(b) When the cause of the disconnection is failure to pay an arrearage, the utility shall reconnect service upon the customer's request when:

(1) All the arrearages have been paid;

(2) The customer has agreed to enter into a payment arrangement for the unpaid arrearage in accordance with Puc 1203.07; or

(3) The customer has provided evidence of an agreement with a municipal welfare official, pursuant to RSA 165, or with another social service agency, in accordance with Puc 1203.14, to pay the current bill and the customer has agreed to enter into a payment arrangement for the unpaid arrearage in accordance with Puc 1203.07.

(c) The utility shall endeavor to reconnect service during regular business hours on the day of the request. When the customer requests that service be reconnected at other than regular business hours, the utility shall attempt to make the reconnection, provided, however, that the utility shall be under no obligation to do so unless a medical emergency exists.

(d) The commission shall order a utility to reconnect service during other than regular business hours when it determines that:

(1) A medical emergency exists;

(2) Property damage would occur; or

(3) Other similar unusual circumstances exist which involve significant risk to health, safety or property and which require immediate reconnection.

(e) A charge shall be made for reconnection of service in accordance with tariffs on file. However, no charge shall be made when the cause for disconnection was not in compliance with Puc 1203.11, Puc 1203.12, and Puc 1205.

Puc 1203.14 Social Service Assistance.

(a) The utility shall provide the names and addresses of those social service organizations in its franchise area, known to the utility as providing possible assistance with the payment of utility bills, to its customers who are experiencing difficulty in paying utility bills.

(b) The utility shall make arrangements with social service organizations that might provide assistance so that the utility will receive notice by telephone or in writing that the social service organization will agree to pay the current bill of the customer within 4 business days of a customer's application for assistance.

(c) The utility shall continue to provide utility service to the customer during the 4 business days before confirmation by telephone or in writing is received.

(d) Upon receipt of the social service organization's notification of its agreement to pay the current bills of the customer, the utility shall treat the social service organization as the party responsible for payment of bills.

(e) The utility shall provide the customer with a monthly accounting of his or her billing and payment history during the period when the social service organization is making payments.

(f) Notice of disconnection shall not be sent to any customer receiving assistance with the payment of his or her utility bill from a social service organization unless the utility has determined that the customer's assistance from the organization has been exhausted or that the organization has failed to make payments as agreed.

Puc 1203.15 Denial of Service.

(a) If the relevant statute of limitations has not yet run, a utility may deny new service to any applicant due to an outstanding arrearage with that particular utility for prior service.

(b) If the relevant statute of limitations has run, a utility may deny new service to any applicant due to an outstanding arrearage with that particular utility for prior service if the utility has pursued recovery of the debt through the court system.

(c) If the relevant statute of limitations has run, a utility may, for a period of 3 years after the expiration of the Statute of Limitations, deny new service to any applicant due to an outstanding arrearage with that particular utility for prior service if the utility has made reasonable, verifiable, documented collection efforts during the running of the statute of limitations.

(d) A utility shall not deny new residential utility service to any applicant with whom either:

- (1) A reasonable payment arrangement can be made under Puc 1203.07; or
- (2) The utility has a current payment arrangement under Puc 1203.07.

(e) In order to prevent the practice of name-swapping, a utility may deny new utility service to any applicant due to an outstanding arrearage with that particular utility for prior service furnished in the name of a person other than the applicant as follows:

(1) For residential service, the utility may deny new utility service when the following statements are true about the applicant and the above-mentioned person other than the applicant in whose name prior service was furnished:

- a. They resided together at the address where the arrearage was incurred;
- b. They both received the benefit of the utility service;
- c. They both will benefit from the applied for utility service; and
- d. The applicant refuses to enter into a reasonable payment arrangement pursuant to Puc 1203.07;

(2) For non-residential service, the utility may deny new utility service when the following statements are true about the applicant and the above-mentioned person other than the applicant in whose name prior service was furnished:

- a. They were principals of a business at the address where the arrearage was incurred;
- b. They both received the benefit of the utility service; and
- c. They both will benefit from the applied for utility service.

(f) Utilities shall maintain records showing the annual number of and reasons for denials of applications for service.

Puc 1203.16 Disconnection Conferences.

(a) Upon receipt of the notice of disconnection, a customer may request and the utility shall grant a conference with the utility prior to the proposed date of disconnection specified on the notice, as follows:

- (1) A utility shall not be required to grant a conference to a customer whose request for a conference is made on the proposed disconnect date, although the utility may grant one;
- (2) A customer whose request for a conference is made either one or 2 days prior to the proposed disconnect date shall be entitled to a conference no later than 3 business days after the request; and
- (3) Service shall not be disconnected prior to the latest of the following:
  - a. Five business days after the conference;
  - b. Five business days after the postmarked date of the utility's written decision relating to the conference; or
  - c. The proposed date of disconnection specified in the disconnect notice.

(b) The conference requested shall consist of:

- (1) A meeting between the customer and the utility conducted either in person or by telephone in accordance with the customer's preference;
- (2) Discussions between the customer and the utility relating to the disconnect notice; and

(3) An agreement that the utility shall notify the customer of a resolution to the dispute by a date certain.

(c) The utility shall make a memorandum regarding the outcome of each conference. Should a conference with the commission staff be requested, pursuant to (d) below, the utility shall forward a copy of the conference memorandum to the commission and to the customer.

(d) During the conference, the utility shall inform the customer of the customer's right to request a conference with the commission staff if the customer is dissatisfied with the outcome of the conference, pursuant to (e) below.

(e) A request for a conference with the commission staff shall be made as follows:

(1) The customer's request for a conference with the commission staff shall be made before the date of the proposed disconnection or within 5 business days after issuance of the utility's notification to the customer of a resolution to the dispute as described in (b)(3), whichever is later; and

(2) The customer's request shall be made to the commission in writing, in person, or by telephone.

(f) Failure to request a conference with the commission staff within 5 business days after issuance of the utility's notification of resolution shall result in implementation of the utility's decision pursuant to the conference with the utility.

(i) If a customer requests a conference with the commission staff, the utility shall continue service to the customer until such time as the commission staff determines whether the disconnection is justified pursuant to these rules.

Puc 1203.17 Conference to Mediate Complaints Other Than Disconnection Complaints.

(a) A conference may be held between and among the customer, the utility and the commission's consumer affairs division when prior discussion between and among the aforementioned parties have failed to yield a satisfactory resolution to the complaint.

(b) A conference may be held at the request of the customer, utility or commission staff provided that if no violations of commission rules or the utility's tariff exist or if efforts to otherwise mediate the complaint are not appropriate, the commission shall deny the request for a conference.

(c) The utility shall inform the customer of his/her right to request a conference with the commission staff.

(d) A conference shall be scheduled at the convenience of the customer during normal business hours but shall be held no more than 15 business days from the date of the request.

(e) A report of the outcome of the conference shall be prepared by the commission staff and provided to all parties within 10 business days of the conference.

(f) If the utility or the customer does not agree with the outcome of the conference, the party not in agreement may request a hearing before the Commission.

(g) The utility shall not disconnect service for non-payment of any disputed amounts until final resolution of the conference or hearing.

Puc 1203.18 Transfer of Service.

(a) Whenever a utility receives a request to change an account for service from one customer to another or to add another name to an account, the following shall apply:

- (1) The utility shall give timely notice of such change to the new customer; and
- (2) The utility may require written confirmation of the request from the new customer.

(b) For the purposes of this section, timely notice means notice made to the new customer within 5 business days of the utility's receipt of the request to change an account for service from one customer to another.

(c) Until timely notice is given pursuant to (a)(1) above, or until the new customer has given confirmation pursuant to (a)(2) above, the original customer of record shall remain liable for charges on the account.

Puc 1203.19 Interruption of Service.

(a) In the event of interruption of service, utilities shall re-establish service within the shortest time practicable consistent with safety.

(b) When service is interrupted because the utility must perform work on mains, lines, or equipment, the utility shall perform the work at a time causing minimum inconvenience to customers consistent with the circumstances.

(c) Whenever practicable with reference to the planned work, contemplated by (b) above, utilities shall notify the following customers, where known, in advance:

- (1) Alarm services;
- (2) Medical alert services;
- (3) Emergency services;
- (4) Medical emergency customers; and
- (5) Other similarly situated customers who will be seriously affected by the service interruption.

(d) A utility may interrupt or curtail service and/or vary the characteristics thereof in the following circumstances:

- (1) When necessary to prevent injury to persons or property; and
- (2) When necessary to effect a temporary load reduction or temporary rationing of product for the common good of the utility system.

(e) Additional specificity regarding interruption of service, shall be contained in the following commission rules:

- (1) Electric, Puc 300;
- (2) Gas, Puc 500;
- (3) Telephone, Puc 400;



- (4) Water, Puc 600;
- (5) Sewer, Puc 700; and
- (6) Steam, Puc 1100.

Puc 1203.20 Utility Reports

(a) Beginning November 1, 2005, each electric, gas and water utility with more than 10,000 customers shall submit electronically the following reports to the commission's consumer affairs division:

- (1) Utility Disconnection Activity Report; and
- (2) Utility Accounts Receivable Report.

(b) Each telephone utility with more than 10,000 New Hampshire customers shall submit a utility disconnection activity report which contains:

- (1) For each month, the number of disconnect notices sent to residential customers; and
- (2) For each month, the number of residential service account terminations.

(c) Each utility shall file such reports on a monthly basis, no later than 30 calendar days following the last day of the month which is the subject of the report.

(d) The Utility Disconnection Activity Report shall include the following information for residential customers:

- (1) The title "Utility Disconnection Activity Report";
- (2) The name of the utility making the report;
- (3) The month and year represented by the information contained in the report;
- (4) The number of business days for the month representing the information contained in the report; and
- (5) The following information for each billing month:
  - a. The number of disconnection notices sent by the utility with corresponding information regarding the following:
    - 1. The total amount of the money owed on accounts subject to the disconnection notice sent to customers; and
    - 2. The total amount that is past due on such accounts;
  - b. The total number of disconnections with corresponding information regarding the following:
    - 1. The total amount of money owed on the accounts disconnected; and
    - 2. The total amount that is past due on such accounts; and

c. The total number of customers previously disconnected whose service was restored with corresponding information regarding the following:

1. The number restored the same day; and
2. The number restored the following day or thereafter.

(e) The Utility Accounts Receivable Report shall:

(1) Be filed with the commission each month, no later than 30 days following the last day of the month which is the subject of the report; and

(2) Include the following information regarding residential customers:

a. The title “Utility Accounts Receivable Report” identified by the month and calendar year applicable to the data in the report;

b. The name of the utility making the report;

c. Sales revenue for the applicable month and year-to-date;

d. Sales by unit of measure for the applicable month and year-to-date;

e. Number of bills for the applicable month and year-to-date;

f. Average bill by dollar value and unit of measure for the applicable month and year-to-date;

g. Gross write-offs for the applicable month and year-to-date;

h. Net write-offs for the applicable month and year-to-date;

i. Amounts of any previously written off balances which were collected in the applicable month and year-to-date;

j. Late charge revenue billed for the applicable month and year-to-date; and

k. Utility accounts receivable information aging data, in dollar amounts, for the applicable billing month and year-to-date as follows:

1. Current;
2. Thirty days in arrears;
3. Sixty days in arrears;
4. Ninety days in arrears;
5. Over ninety days in arrears; and
6. A total of items 1.-5. above.

(f) The information required in (e)(2)k. above shall also be provided for residential terminated accounts.

(g) For purposes of complying with (f) above, to the extent that a utility cannot separate residential accounts from accounts other than residential accounts, the utility shall report the combined information and note on its report to the commission that the information represents all customer accounts.

#### PART Puc 1204 WINTER RULES

Puc 1204.01 Scope of Winter Rules. Puc 1204, Winter Rules, shall apply only to public utilities providing gas, electric and steam service to the public in the state of New Hampshire excluding limited electrical energy producers as defined in RSA 362-A. The requirements of this section shall be in addition to those disconnection provisions of Puc 1203.11 and Puc 1203.12. Where the circumstances triggering the application of Puc 1204 and Puc 1205 occur concurrently, the provisions of Puc 1205 shall govern.

#### Puc 1204.02 Applicability of Winter Rules.

(a) The provisions of Puc 1204 shall apply only to residential customers of gas, electric, and steam utilities.

(b) Arrearages existing on customers' bills prior to the winter period shall not make a customer eligible for disconnection during the winter unless the arrearages exceed, either singly or when added to winter arrearages, the amount noted in 1204.03 below.

#### Puc 1204.03 Protection from Disconnection.

(a) An arrearage resulting from non-payment of bills for service rendered during the winter and non-winter period shall exceed the following amounts before a notice of disconnection for a primary residence can be sent:

- (1) For gas non-heating customers, \$125;
- (2) For electric non-heating customers, \$225; and
- (3) For electric, gas and steam heating customers, \$450.

(b) Notwithstanding (a) above, during the winter period utilities shall seek commission approval before disconnecting the service of residential customers known to be 65 years or older.

(c) No residential customer shall be disconnected during the winter period for non-payment of a deposit or portion of deposit.

#### Puc 1204.04 Payment Arrangements.

(a) During the winter period, the requirements of Puc 1203.07 relative to payment arrangements shall be replaced by the following:

- (1) For non-financial hardship customers, the payment arrangement shall include a promise to pay the current bill on or before the due date and permit repayment of the arrearage in equal installments over the winter period and the 6 months following the conclusion of the winter period; and
- (2) For financial hardship customers, the payment arrangement shall consist of monthly payments equal to:

- a. 10% of the monthly total balance due for the duration of the winter period; or
- b. 10% of the total balance due and the projected future monthly bills.

(b) Notwithstanding the provisions of (a) above, no utility shall be required to change the terms of existing payment arrangements to comply with the provisions of (a) above unless so requested by the customer.

(c) At the end of the winter period, customers having arrearages shall be provided an opportunity to make a payment arrangement pursuant to Puc 1203.07 and the following requirements:

- (1) The payment arrangement shall permit repayment of the arrearage in equal installments over the 6 months following the conclusion of the winter period; and
- (2) The payment arrangement shall establish arrearage payments which shall be in addition to payment of current bills.

(d) Customers claiming financial hardship under this section shall provide evidence of financial hardship to the utility on an annual basis.

Puc 1204.05 Winter Period Notice of Disconnection.

(a) In addition to the notice of disconnection required by Puc 1203.11 and Puc 1203.12, during the winter period notice shall be provided to an adult who occupies the affected residence in the following manner:

- (1) In person or by telephone; and
- (2) A minimum of 2 business days but no more than 8 business days prior to the date of the proposed disconnection.

(b) If the utility is unable to notify an adult occupant of the affected residence pursuant to (a) above, the utility shall seek commission approval pursuant to Puc 201.05 before disconnecting service.

(c) When seeking commission approval, pursuant to (b) above, the utility shall inform the commission of:

- (1) Customer's age or estimate thereof;
- (2) The number of children in the household under the age of 5, if known;
- (3) The number of household members over the age of 65, if known;
- (4) Amount of the customer's arrearage;
- (5) Date and amount of the last 3 payments;
- (6) The existence of any current or prior medical emergency certifications for the customer or household members; and
- (7) The existence of any financial hardship, if known;

(d) The commission shall not approve disconnection of service to customers when the following conditions exist:

- (1) The customer has financial hardship; and
- (2) The customer has made a good faith effort to make payments towards the utility bill.

(e) Customers claiming financial hardship under this section shall provide evidence of financial hardship to the utility on an annual basis.

Puc 1204.06 Review of Pre-Winter Period Disconnections

(a) For customers disconnected for non-payment from April 15 through October 15 and whose account remains inactive as of November 1, the company shall send a letter via first class mail no later than November 7 to the last known customer of record for that service address.

(b) The letter shall include the following:

- (1) The customer's name;
- (2) The service address;
- (3) A statement that the utility's records show the customer was disconnected for non-payment and the date on which the disconnection occurred;
- (4) A statement directing the customer to contact the utility to arrange to have utility service restored;
- (5) The utility's toll free customer service telephone number; and
- (6) The toll free telephone number of the commission's consumer affairs division.

(c) In addition to the letter described in (b) above, electric, gas and steam utilities shall place no fewer than 2 advertisements in newspapers with a circulation covering the majority of their franchise area during the month of October which:

- (1) Explain the reconnection policy for financial hardship and medical emergency customers;
- (2) Provide the utility's toll free customer service telephone number; and
- (3) Provide the toll free telephone number of the commission's consumer affairs division.

(d) Customers who contact the utility shall be offered a payment arrangement where 10% of the outstanding balance shall be sufficient to restore service where the customer provides evidence that a financial hardship exists.

(e) The utility shall provide the names, addresses and telephone numbers of social service agencies in the customer's vicinity known to the utility as providing possible assistance with the payment of utility bills to customers who contact the company and are unable to make the minimum payment.

(f) Where a customer indicates that a household member has a medical emergency as defined in Puc 1202.12, the utility shall inform the customer of his/her rights as detailed in Puc 1205 and service will be restored upon:

- (1) Receipt of a licensed physician's, advanced practice registered nurse's, physician's assistant's or mental health practitioner's certification of medical emergency; and
- (2) Establishment of a payment arrangement in accordance with Puc 1203.07.

(g) Annually, the utility shall submit a report to the commission no later than December 10 summarizing:

- (1) The number of letters mailed;
- (2) The number of letters returned;
- (3) The number of customers whose service was restored;
- (4) The number of customers whose service was not restored; and
- (5) The reasons why service was not restored, if known.

#### PART Puc 1205 MEDICAL EMERGENCY RULES

Puc 1205.01 Applicability of Medical Emergency Rules. The provisions of Puc 1205 shall apply to service provided to residential customers by electric, gas, steam and water utilities. The requirements of this section shall be in addition to those requirements of Puc 1203.11 and Puc 1203.12. Where the circumstances triggering the application of Puc 1204 and Puc 1205 occur concurrently, the provisions of Puc 1205 shall govern. Medical emergency rules pertaining to service provided by telephone utilities to residential customers shall be found in Puc 412 and Puc 432.

#### Puc 1205.02 Medical Emergency Certification.

(a) Provision of a medical emergency certification, in conjunction with a payment arrangement for any past due balances in accordance with Puc 1203.07-~~(b)~~, shall be sufficient to protect a customer's account from disconnection of service so long as the customer complies with the terms of the payment arrangement and follows the requirements for renewal of the certification upon its expiration, as set forth in Puc 1205.02(f).

(b) A medical emergency certification shall be valid for the period of time designated by the licensed physician, licensed advanced practice registered nurse or licensed physician's assistant or mental health practitioner as defined in RSA 330-A:2, VII, provided the certification is for no less than 90 days and no more than one year.

(c) There is no limit on the number of times a medical emergency certification may be renewed consistent with (b) above.

(d) Oral notification of the existence of a physical or mental health condition which would become a danger to the physical or mental health of the customer or household member may be provided to the utility by the customer and shall be sufficient to protect a customer's account from disconnection of service provided:

- (1) Certification as described in (e) below from a physician, advanced practice registered nurse, physician's assistant or mental health practitioner is received within 15 calendar days; and

(2) Any prior oral notification made within the past 6 months has been verified through certification as described in (e) below.

(e) Certification of a medical emergency by a physician, advanced practice registered nurse, physician's assistant or mental health practitioner shall:

(1) Contain a statement to the effect that the customer or identified member of the customer's household has a physical or mental health condition which would become a danger to the customer's or household member's physical or mental health should the utility service be disconnected;

(2) Be in writing, which includes any electronic communication, or be made by telephone with written or electronic confirmation received by the utility within 15 calendar days of the telephoned certification;

(3) Contain licensing information for the physician, advanced practice registered nurse, physician's assistant or mental health practitioner; and

(4) Indicate the use of any life support equipment by the customer or identified member of the customer's household.

(f) All renewals of medical emergency certifications shall comply with (b) and (e) above.

(g) The medical emergency certification may be made through the completion of a form provided by the utility or another written or electronic format provided such other format complies with the provisions of (e) above.

(h) Upon being notified of the existence of a medical emergency in accordance with (d) or (e) above, the utility shall inform the customer in writing of the following:

(1) The customer's continuing obligation to pay for services;

(2) The requirement to enter into and comply with a payment arrangement consistent with Puc 1203.07 ~~for any past due amounts~~ as a condition of the medical emergency certification;

(3) That failure to comply with any payment arrangement entered into with the utility will result in disconnection of service;

(4) The option to designate a third party contact for communications with the utility regarding billing and other matters related to the customer's account;

(5) The customer's responsibility to renew any medical emergency certification on a timely basis to ensure continued service; and

(6) The need for the customer to plan for power outages that might occur.

(i) If certification of a medical emergency has not been provided within 15 days of receipt of oral notice from a customer or the physician, advanced practice registered nurse, physician's assistant or mental health practitioner that a medical emergency would exist if utility service were disconnected, the utility shall send a reminder notice to the customer advising that such certification must be received within 15 days of the

date of the reminder or disconnection will occur on a specified date at least 16 days from the date of the reminder notice.

(j) Provided the reminder notice described in (i) above contains the information required in Puc 1203.11(b)(2), the utility shall not be required to send a separate notice of disconnection.

(k) If the utility does not receive written or electronic certification of the medical emergency within the time period in (i) above, the utility may disconnect service in accordance with Puc 1203.11.

Puc 1205.03 Disconnections of Service to Medical Emergency Customers.

(a) A utility shall not disconnect service to a customer who has provided current verification of a medical emergency and is complying with a payment arrangement.

(b) If a customer does not enter into a payment arrangement or does not comply with the terms of a payment arrangement negotiated in accordance with Puc 1203.07, the utility may seek permission to disconnect service to the customer.

(c) When requesting permission from the commission to disconnect service, the utility shall provide the commission with the following information:

- (1) The customer's name;
- (2) The service address;
- (3) The customer's account number;
- (4) The requested date for disconnection;
- (5) The history of the medical emergency certifications on the account;
- (6) The amount of the arrearage;
- (7) The amounts and dates of the last 3 payments received by the utility;
- (8) The amount and date of the next anticipated payment, if known;
- (9) The last 12 months of billing and payment history;
- (10) Summary of collection activities on the account;
- (11) The number of children in the household under the age of 5, if known;
- (12) The number of household members over the age of 65, if known;
- (13) The existence of any financial hardship, if known, as documented on an annual basis by the customer claiming financial hardship; and
- (14) Any other information the utility deems pertinent.

(d) When the utility seeks commission authorization to disconnect service pursuant to this section, it shall notify the customer in writing of its request and provide a copy of the request for authorization at the same time.



(e) Notwithstanding any other rule to the contrary, the commission shall not approve disconnection of service to customers with a current medical emergency certification when the customer has made a good faith effort to make payments towards the utility bill.

(f) Upon approval by the commission of disconnection, the utility shall provide notice to the customers as required in Puc 1203.11 prior to disconnecting service.

Puc 1205.04 Expiration of Medical Emergency Certification.

(a) Thirty days prior to the expiration of the medical emergency certification, the utility shall send a reminder notice to the customer advising that, if a medical emergency still exists, the certification of a medical emergency must be renewed. The notice shall include the date by which the certification must be renewed.

(b) Upon the expiration of a medical emergency certification, the utility shall notify the customer that the medical emergency certification has expired and the customer's account will no longer be medically protected. Such notice shall also indicate the balance due, if any.

(c) Notice provided in (b) above shall include a statement directing the customer to contact the utility immediately if the previously certified medical condition continues to exist.

Puc 1205.05 Disconnection of Service to Customers with Expired Medical Emergency Certifications.

(a) The utility is required to follow the steps set forth in Puc 1205.05 (b) through (h) one time within the 9 month period following the expiration of the medical emergency certification.

(b) The issuance of any notice of disconnection shall be done in accordance with Puc 1203.11(g) and shall comply with the provisions of Puc 1203.11(b).

(c) The notice of disconnection shall provide contact information for both the utility and the Commission's Consumer Affairs Division.

(d) No less than 2 calendar days but no more than 8 calendar days prior to the date of the proposed disconnection of service, personal contact must be made with the customer or an adult occupant of the premises. The contact may be made by telephone or in person.

(e) If no personal contact is made as described in (c) above, no disconnection shall occur unless the utility complies with (e) below.

(f) The utility may proceed with a field visit on or after the disconnection date stated on the notice as follows:

(1) If an adult occupant of the residence is not at home, the utility shall leave a notice in a conspicuous location at the premises and shall leave the premises without disconnecting the service; or

(2) If an adult occupant of the residence is at home, the utility shall ask if the medical emergency still exists and inform the adult occupant of the process for providing a certification of medical

emergency as described in Puc 1205.02 (b) and (d). If no medical emergency exists, the utility may proceed with the service disconnection in accordance with Puc 1203.11.

- (g) The notice required in (f)(1) above shall advise the customer:
- (1) The medical emergency certification on the customer's account has expired;
  - (2) There is an unpaid past due balance on the account;
  - (3) The utility was at the premises that day to disconnect the utility service;
  - (4) To contact the utility to make arrangement for payment; and
  - (5) The utility will return the following week to disconnect service unless the customer contacts the utility.

(h) For the purposes of this section, the 8 business day limitation established in Puc 1203.11 (m) shall begin upon the provision of notice pursuant to (f)(1) above.

(i) Prior to disconnecting the service of a customer with whom no personal contact was made, a supervisor at the utility shall review the account.

Puc 1205.06 Reporting Requirements.

- (a) Each utility shall provide an annual report to the commission containing:
- (1) The total number of customers with medical emergency certifications on June 30;
  - (2) The total amount due and the total amount past due as of June 30 for those customers with medical emergency certifications;
  - (3) The monthly average number of customers with medical emergency certifications for the period July 1 through June 30;
  - (4) The monthly average balance due and past due for the period July 1 through June 30;
  - (5) The percent of medical emergency customers with past due balances as of June 30;
  - (6) The number of accounts with current medical emergency certifications that were disconnected during the period July 1 through June 30 and the past due balances associated with those accounts;
  - (7) The number of accounts with expired medical emergency certifications that were disconnected in accordance with Puc 1205.04 during the period July 1 through June 30 and the past due balances associated with those accounts; and
  - (8) The number of customers with current medical emergency certifications who were disconnected in error along with an explanation of why the account was erroneously disconnected.

(b) The report required in (a) above shall be submitted to the Commission no later than August 15 of each year.

(c) A copy of the report required in (a) shall be provided to the Office of the Consumer Advocate.

## APPENDIX

RULE NUMBER	STATUTE IMPLEMENTED
Puc 1201 - 1202	RSA 363-B; 365:8, VII & XII
Puc 1203.01 - 1203.04	RSA 365:8, VII & XII
Puc 1203.05 - 1203.07	RSA 363-B; 365:8, VI, VII & XII
Puc 1203.08 - 1203.09	RSA 365:1 & 2
Puc 1203.10 - 1204.06	RSA 363-B:1 & 2; 365:8, VII & XII
Puc 1205	RSA 363-B; 365:8, VII & XII

Puc 1200  
Medical Emergency Protections

Amanda Noonan

NH Public Utilities Commission

August 18, 2011

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# *Medical protections – current rule*

- The Commission's rules define a medical emergency as a situation certified by a licensed physician or mental health practitioner to the utility where the customer "has a physical or mental health condition which would become a danger to the customer's physical or mental health in the absence of utility service."
- Disconnection is prohibited if the utility has been notified within 60 days that a medical emergency exists at the location to be disconnected and the customer has entered into an arrangement for payment of utility bills with the utility.

# *Medical protections – current rule*

- The rule requires written notification, though allows for telephone notification from the physician or mental health practitioner with confirmation in writing within 7 days, that disconnection would result in a medical emergency.
- Such notification must be renewed every 60 days if the condition continues.

# *Medical protections – current rule*

- The customer must also negotiate a payment arrangement with the utility for the account to be protected from disconnection. *Certification of a medical emergency is sufficient to retain service only if the customer also enters into a payment arrangement.*
- If a customer has provided certification of a medical emergency but has failed to enter into or comply with the terms of a payment arrangement, a utility may not disconnect service to that location *unless it obtains the approval of the Commission.*
- If the customer has made a good faith effort to make payments towards the utility bill, the Commission shall not approve the request to disconnect.



# *Medical protections – current rule*

- Although not a rule provision, outreach is done by the Commission on requests that are received.
- In most instances, through the intervention of the Consumer Affairs Division, customers successfully work through the payment issues with the utility and their electric service remains intact.

# *Medical protections – current rule*

- No special provisions in the rules for an account where a customer's medical emergency certification has lapsed. In such cases, the account reverts back to the general procedures established in the rules for disconnection of any residential service.
- Customers who do not renew their medical emergency certification, and who have past due balances, receive written notice that the utility service will be disconnected at least 14 days in advance of the proposed date of disconnection.

# *Medical Protection Considerations*

- Reasonable to surmise that households with medical issues are likely to have health care expenses that other residential customers do not have. Also electric usage and bills may be higher due to use of medical equipment.
- Customers with medical protection are required to enter into payment arrangements with the utility to keep them on a regular schedule of utility payments because no condition, including a medical condition, is a legally permissible basis for free utility service. RSA 378:14

# *Medical protection changes*

Current Rule	Final Proposal
<p>The Commission's rules define a medical emergency as notification from a licensed physician or mental health practitioner to the utility that the customer "has a physical or mental health condition which would become a danger to the customer's physical or mental health in the absence of utility service."</p>	<p>The final proposal allows certification of a medical emergency to be provided by a licensed physician, an advanced practice registered nurse, a physician's assistant or a mental health practitioner.</p>
<p>Disconnection is prohibited if the utility has been notified within 60 days that a medical emergency exists at the location to be disconnected and the customer has entered into an arrangement for payment of utility bills with the utility.</p>	<p>The 60 day time frame has been eliminated. The final proposal allows the certifying health practitioner to specify the time frame provided the certification is for no less than 90 days and no more than one year.</p>

# Medical protection changes

Current Rule	Final Proposal
The rule requires written notification, though allows for telephone notification with confirmation in writing within 7 days, that disconnection would result in a medical emergency.	Customers may now orally notify utility of existence of a medical emergency situation with written certification required within 15 calendar days provided any prior oral notification made within the past 6 months has been certified by a health care provider.
Such notification must be renewed every 60 days if the condition continues.	Notification is renewed consistent with term identified by health care provider but no more frequently than every 90 days and no less frequently than annually.
The customer must also negotiate a payment arrangement with the utility for the account to be protected from disconnection. <i>Certification of a medical emergency is sufficient to retain service only if the customer also enters into a payment arrangement.</i>	This provision remains unchanged.

# Medical protection changes

Current Rule	Final Proposal
<p>If a customer has provided certification of a medical emergency but has failed to enter into or comply with the terms of a payment arrangement, a utility may not disconnect service to that location <i>unless it obtains the approval of the Commission.</i></p>	<p>This provision remains unchanged. However, the process for obtaining approval has been modified such that the customer receives a copy of the request to disconnect when the request is made to the Commission.</p>
<p>If the customer has made a good faith effort to make payments towards the utility bill, the Commission shall not approve the request to disconnect.</p>	<p>This provision remains unchanged.</p>
<p>While not a rule provision, outreach by Commission on requests that are received occurs. In most instances, through the intervention of the Consumer Affairs Division, customers successfully work through the payment issues with the utility and their electric service remains intact.</p>	<p>This process remains unchanged.</p>

# *Medical protection changes*

Current Rule	Final Proposal
<p>No special provisions in the rules for an account where a customer's medical emergency certification has lapsed. In such cases, the account reverts back to the general procedures established in the rules for disconnection of any residential service.</p>	<p>1205.04 requires utilities to remind a customer 30 days prior to the notice of any medical emergency certification.</p> <p>1205.05 establishes a separate process to be followed prior to disconnecting a customer whose medical emergency certification has expired. Provides another opportunity to renew the medical emergency certification if the condition is continuing.</p>
<p>Customers who do not renew their medical emergency certification, and who have past due balances, receive written notice that the utility service will be disconnected at least 14 days in advance of the proposed date of disconnection.</p>	<p>Personal contact must be made with the customer prior to performing the service disconnection. If no personal contact is made in advance and no personal contact is made during the collection field visit, the utility may not disconnect and must leave an additional notice at the property. If the customer does not respond to the notice, no disconnection can occur without supervisory review at the utility.</p>

# *Medical protection changes*

Current Rule	Final Proposal
	<p>Additional notice requirements have been proposed. A customer who notifies a field collector of a medical emergency has 15 days to provide certification of a medical emergency. Should the certification not be received, a written reminder is sent providing an additional 15 days. In the second notice, the customer is notified that they will be subject to disconnection at the end of the second 15 day period if no certification is provided.</p>
	<p>Following the expiration of a medical emergency certification, the customer is notified and provided with an opportunity to renew the certification if the condition is continuing.</p>



# *Medical protection changes*

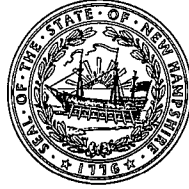
Current Rule	Final Proposal
	<p>Utilities will now be required to report information to the Commission on an annual basis regarding the number of customers with medical emergency certification, the receivables associated with those customer accounts, the number of accounts with current medical emergency certifications disconnected, the number of accounts with expired medical emergency certifications disconnected, and the number of customers with current medical emergency certifications disconnected in error.</p>
	<p>Additionally, the rules provisions provide clarity and further definition to the process for obtaining a medical emergency certification.</p>

CHAIRMAN  
Thomas B. Getz

COMMISSIONERS  
Clifton C. Below  
Amy L. Ignatius

EXECUTIVE DIRECTOR  
Debra A. Howland

STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION  
21 S. Fruit St., Suite 10  
Concord, N.H. 03301-2429

AUG 17 2011

TDD Access: Relay NH  
1-800-735-2964

Tel. (603) 271-2431

FAX No. 271-3878

Website:  
www.puc.nh.gov

## Regulatory Requirements and Utility Practice Regarding Medical Emergency Customers

July 30, 2010

### I. Introduction

In response to the tragic death of an electric utility customer in Salem, New Hampshire, Governor John Lynch asked the New Hampshire Public Utilities Commission to review electric utility policies and procedures regarding disconnection of service. (Attachment 1) As part of its review, the Commission directed the four electric utilities in New Hampshire, namely, National Grid, the New Hampshire Electric Cooperative (NHEC)<sup>1</sup>, Public Service Company of New Hampshire (PSNH) and Unitil Energy Systems (Unitil), to provide certain information, including their written policies for service disconnections generally and for medical emergency, or medical protection, accounts specifically. In addition, the Commission instructed the electric utilities to cease all efforts to disconnect service where medical protection had been in place but had lapsed within the past 12 months while this investigation proceeds. (Attachment 2)

After a thorough review of the material provided, Commission Staff conducted individual meetings with each utility to discuss the responses provided. (Attachment 3) Following the individual sessions, Staff met with the utilities as a group to explore areas for improvement.<sup>2</sup> Staff invited the Office of Consumer Advocate and New Hampshire Legal Assistance to participate in these meetings.<sup>3</sup> The Commission also reviewed the history of its own relevant rules and practices and the policies in a number of other states.

This report summarizes the regulatory requirements for electric service disconnection, focusing on accounts with medical protections. The report describes the electric utilities'

<sup>1</sup> As a member-owned cooperative, NHEC is subject to limited Commission jurisdiction. RSA 362:2, II identifies the statutory provisions that continue to apply to NHEC. RSA 363-B, which governs procedures for terminating certain utility services, is one of those provisions, placing NHEC under the Commission jurisdiction for matters related to disconnection of utility service.

<sup>2</sup> These actions are separate from the Commission's investigation of the Salem incident.

<sup>3</sup> The OCA and NHLA participated in Docket No. DRM 04-109, which was the proceeding in which the current disconnection rules were approved.

internal procedures regarding customers with medical protections and points out where those procedures differ from the Commission's requirements. Among other things, the report identifies the number of customers who have a current medical protection on their electric service account. The report also identifies particular areas where the Commission will consider amending the rules governing medical protection customers and their health care providers as well as the process for treating customers with recently lapsed medical protection status.

While the electric utilities, the Office of Consumer Advocate and New Hampshire Legal Assistance were most helpful in this review, this report should not be considered a joint proposal endorsed by those entities. Furthermore, this report is not the culmination of the process but should be viewed as the foundation of the process for determining appropriate changes to the rules and practices applicable to medical emergency customers.

In the interests of time, the Commission did not seek out the views of other potentially interested parties at this juncture, such as the Community Action Agencies, municipal welfare organizations, and other social service entities. The Commission will notify such groups in the normal course of the rulemaking and provide general public notice upon the commencement of the administrative rules proceeding to ensure that any interested party has the opportunity to participate in and comment on any rule proposal.

## **II. Standards Regarding Disconnection**

Utilities must provide service that is reasonably safe, adequate, just, and reasonable. RSA 374:1. There are no statutory provisions specific to disconnection of service in cases where a medical condition exists; however, RSA 363-B provides guidance on termination of residential utility service generally. (Attachment 4) The Commission, by administrative rule, provides greater protection for residential customers whose physician or mental health provider has certified that the customer has a physical or mental health condition which would become a danger to their physical or mental health in the absence of electric service.

N.H. Admin. Rules Puc 1200 addresses utility and ratepayer protections and obligations. (Attachment 5) Puc 1203.11 sets forth the standards for disconnection specifically. Puc Chapter 1200 was last re-promulgated in 2004.<sup>4</sup> At that time, a number of changes were made to the rules to better balance customer and utility needs, providing more flexibility for and additional

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<sup>4</sup> Participation in the rulemaking included representatives from electric, gas, telecommunications and water utilities as well as the Office of the Consumer Advocate, New Hampshire Legal Assistance and an individual residential ratepayer.

protections to customers. The changes included the expansion of the definition of a medical emergency to include mental health practitioners as health care providers from whom a customer could provide certification of a medical emergency and an increase to the period for renewal of medical emergency certifications from 30 days to 60 days. Protection from disconnection for low-income customers during the winter period was also enhanced.

The rules regarding service and disconnection, including those on a medically protected account, are summarized below.

**A. Residential customer accounts – disconnection rules:**

As a general matter, customers may be disconnected when the balance on their account is more than 60 days past due or if they have a past due balance greater than \$50. Prior to any disconnection of service, the utility must send the customer written notice that the utility service will be disconnected. Such notice must be sent a minimum of 14 days prior to the proposed disconnection date.

In no case can a residential customer be disconnected on a Friday, on a state or federal holiday, on the day before a state or federal holiday, on a day the Commission is closed to the public or on the day before a day the Commission is closed to the public. When disconnecting a residence, the utility must notify an adult occupant or leave a written notice if no adult is present. The notice must include information on how the customer may be reconnected. Puc 1203.11(o). Information regarding total residential customers, total receivables, and disconnection activity on residential accounts is shown in the table below.

<b>Disconnections and Receivables – Residential Customers</b>				
<b>June 2010</b>				
	<b>National Grid</b>	<b>NHEC</b>	<b>PSNH</b>	<b>Unitil</b>
Number of Bills Issued	35,404	68,140	421,319	62,747
Total Receivables	\$3,464,796	\$5,475,319	\$39,173,000	\$5,538,067
Average Receivable per Residential Bill Issued	\$98	\$80	\$93	\$88
Number of Disconnection Notices Issued	1,915	4,442	20,121	6,474
Number of Disconnections Performed	101	286	4,643	344

The disconnection rules also authorize the Commission to impose a moratorium on disconnections “when there exists an imminent peril to the public’s health, safety or welfare.”

Puc 1203.11(t). In the past, this provision had been utilized during periods of extreme cold weather, but, with the adoption of more protective winter period rules in 2004 (Puc 1204), there has been less need for a blanket moratorium. It is under the provision in Puc 1203.11(t), however, that the Commission recently directed the utilities to cease collection activity on those accounts for which the utility had received a medical emergency certification but such certification had lapsed within the past 12 months.

***B. Financial hardship protections:***

During the winter months, there are additional protections for customers with a documented financial hardship. Customers who provide evidence of a financial hardship can maintain or restore their utility service with a payment equal to 10% of the total due and an agreement to pay 10% of the amount due each month for the duration of the winter period.

***C. Winter protections:***

Protections for all customers are greater during the winter period, defined in the rules as November 15 through March 31. Puc 1202.19. In addition to the lower payment to restore service and lower monthly payments during the winter for financial hardship customers, there are more flexible minimum payment arrangements that must be offered to non-financial hardship customers so that they can restore or maintain their service during the winter period. Puc 1204.04. Additionally, utilities must make contact in person or by phone with an adult occupant of the home before disconnecting service during the winter. If the utility is unable to notify an adult at the home that the service is going to be disconnected, Commission approval must be sought before any disconnection could occur. The utility must provide the Commission with information regarding the customer's age, the number of children in the household, specific billing and payment information, any current or prior medical protections, and any financial hardship. The Commission will not approve disconnections during the winter months where a financial hardship exists and the customer has made a good faith effort to make payments on the utility bill. Puc 1204.05.

Additionally, the minimum balance amounts that a customer must owe before a disconnection notice can be sent are higher during the winter period than the non-winter period. During the winter, an electric service customer who does not use electricity as his or her primary heat source must have a past due balance of \$225 or more before a notice may be sent. For those customers who use electricity as their primary heat source, the past due balance must be \$450 before any notice may be sent. Puc 1204.03.

**D. Medical protections:**

The notice of disconnection sent to any residential customer who is more than 60 days past due or more than \$50 past due must include a number of statements, including one consistent with the following: "MEDICAL EMERGENCY – If you believe that a medical emergency exists in your home or would exist if your service were to be disconnected, you may be protected from disconnection. Please contact us at [insert telephone number of the utility] for more information." Puc 1203.11(b)(2)(k).

The Commission's rules define a "medical emergency" as notification from a licensed physician or mental health practitioner to the utility that the customer "has a physical or mental health condition which would become a danger to the customer's physical or mental health in the absence of utility service." Puc 1202.12. Based on the Consumer Affairs Division's experience, the physical or mental health conditions that licensed physicians or mental health practitioners certify as being a danger to the physical or mental health of the customer cover a broad spectrums of medical needs, from the need for electricity to refrigerate medications to the need to power life support equipment.

Disconnection is prohibited if the utility has been notified within 60 days that a medical emergency exists at the location to be disconnected and the customer has entered into an arrangement for payment of utility bills with the utility. Puc 1203.11 (e)(4). The form and content of the medical emergency notice is set forth in Puc 1203.11(e)(1) through (3). The rule requires written notification, though allows for telephone notification with confirmation in writing within 7 days, that disconnection would result in a medical emergency, and such notification must be renewed every 60 days if the condition continues. The customer must also negotiate a payment arrangement with the utility pursuant to Puc 1203.07(b).

There are no special provisions in the disconnection rules for accounts where a customer's medical emergency certification has lapsed. In such cases, the accounts revert back to the general procedures established in the rules for disconnection of any residential service, as described earlier. Consequently, customers who do not renew their medical emergency certification, and who have past due balances, must receive written notice that the utility service will be disconnected at least 14 days in advance of the proposed date of disconnection.

If a customer has provided certification of a medical emergency, a utility may not disconnect service to that location *unless* it obtains the approval of the Commission. Puc 1203.11(f). The rule specifies the information the utility must submit to the Commission if it

seeks disconnection of a customer with a medical emergency on file. Puc 1203.11(g)(1) through (11).

If the customer has made a good faith effort to make payments towards the utility bill, the Commission shall not approve the request to disconnect. Puc 1203.11(h). Requests from utilities for permission to disconnect a customer whose account has medical protection are a small percentage of the number of utility accounts with such protection.

NHEC reports that since 2007 it has referred twenty-two requests to the Commission for disconnection. Three accounts were disconnected, one request was denied and, in the other instances, additional notice and Commission intervention resulted in payments and payment arrangements being made. Unitil reports that, over the past 12 months, one case was referred to the Commission for approval to disconnect, which the Commission authorized, though the account ultimately was not disconnected. PSNH reports that in the past 36 months it has referred ninety-six requests to the Commission. Twenty were approved for disconnection, though only eleven were in fact disconnected. National Grid reports it has made no requests to disconnect a medical protection account during the past 36 months. The requests to disconnect are generally only made to the Commission after the utility has attempted to work with the customer and has been unsuccessful in reaching an agreed-to payment arrangement.

<b>Disconnections and Receivables – Medical Protection Customers</b>				
	<b>National Grid</b>	<b>NHEC</b>	<b>PSNH</b>	<b>Unitil</b>
Number of medical protection accounts as of June 2010	83	197	1,611	410
Total Receivables	\$241,371	\$58,314	\$1,187,651	\$531,863
Average Receivable per medical protection account as of June 2010	\$2,908	\$296	\$737	\$1,297
Requests to Commission to disconnect medical protection account	0 (over past 36 months)	22 (over past 42 months)	96 (over 36 past months)	1 (over 12 past months)
Number of requests denied	NA	1	76	0
Number of accounts disconnected	NA	3	11	0

The Commission's Consumer Affairs Division responds to requests to disconnect medical protection accounts by first reviewing the information provided by the utility. See Puc 1203.11(g). Any requests where there is evidence of a good faith effort on the part of the customer to make payments toward the utility bill are denied. For those requests where there is

no evidence of a good faith effort by the customer to make payments, the Consumer Affairs Division sends a letter to the customer advising him or her that the utility has requested permission to disconnect the service. The letter directs the customer to contact the Consumer Affairs Division or the utility to enter into an arrangement for payments and provides a date by which that contact must be made. As provided in Puc 1203.11(e)(7), certification of a medical emergency from a licensed physician or mental health practitioner is sufficient to retain service only if the customer also enters into a payment arrangement. Failure to contact the Commission or the utility by the date in the letter may result in the disconnection of utility service.

In most instances, through the intervention of the Consumer Affairs Division, customers successfully work through the payment issues with the utility and their electric service remains intact. This approach explains the small number of medical emergency accounts that are submitted for permission to disconnect; and, of those, the even smaller number that receive approval for disconnection. Importantly, after approval for disconnection is received, utility efforts to work with the customer continue. As a result, as set forth above, very few medically protected accounts are ultimately disconnected.

### III. Regulated Electric Utilities: Information Regarding Medical Protection Accounts

The utilities have implemented practices that expand the period of time for which a medical emergency certification is valid. National Grid and Unitil have extended the time for which certification of a medical emergency is valid from the 60 days required in Puc 1203.11 (e) to 3 months and 6 months respectively. PSNH and NHEC allow the physician or mental health practitioner to designate the length of time for which the certification is valid, with options ranging from 2 months to 12 months.

<b>Procedures for Medical Protection Accounts</b>				
	<b>National Grid</b>	<b>NHEC</b>	<b>PSNH</b>	<b>Unitil</b>
Length of medical certification	3 months	2, 6, 12 months	3, 6, 9 or 12 months	6 months
Collection process if medical emergency certification is lapsed	Reverts to standard collection efforts including 14 day written notice requirement.	Reverts to standard collection efforts including 14 day written notice requirement.	Reverts to standard collection efforts including 14 day written notice requirement.	Account flagged for 6 months
Disconnection allowed if lapsed	Yes	Yes after 2 months	Yes	Yes but only with supervisor approval in the 6 month period noted above



Some customers renew their medical emergency certification over a period of one or more years while others reflect more short term situations or changes in the household. For instance, National Grid reports that, since January 2008, one hundred and fifty customers renewed two or more times, with an average length of time in medical protection status of 9 months; 31% of the medical protection accounts have been renewed three or more times. NHEC reports that the average length of time an account is medically protected is 12 months and, over the past 12 months, 15% of those accounts let the protection lapse without seeking renewal. PSNH reports 10% of medical protection accounts remaining active with regular renewals over the past 36 months. No comparable data could be provided by Unitil due to system reporting constraints.

Each utility notifies medical protection customers when their certification is due to expire, and it is the responsibility of the customer to obtain a renewal from the physician or mental health practitioner when appropriate and provide it to the utility. In cases where utility efforts to notify medical protection customers that the medical emergency certification is due to expire are unsuccessful, collection actions taken once the certification status lapses appear to prompt many customers to renew their certification. NHEC reports that, over the past 36 months, fifteen customers renewed their medical emergency certification after disconnection took place and thirty-five did so after a field collection visit. PSNH reports that, over the past 24 months, 510 customers renewed or obtained medical emergency certification for the first time following a service disconnection. National Grid noted that, since January 2008, thirty-nine customers renewed their medical emergency certification after disconnection and fifty-five did so following a collection visit. Data from Unitil is unavailable due to system reporting constraints.

#### **IV. Striking a Balance between the Needs of Customers with Serious Medical Conditions and Ratepayers in General**

According to information provided by PSNH, approximately half of its medical protection customers pay their bills in full and on time. However, half do not. While the Electric Assistance Program (EAP – available through electric utilities, funded by the system benefits charge (SBC) on electric bills, and regulated by the Commission) and the Low Income Home Energy Assistance Program (LIHEAP – provided through the Office of Energy and Planning and administered by the CAP agencies) are available to help all customers better afford

their utility bills, including medical protection customers, not all medical protection accounts are necessarily eligible to receive benefits from these programs.

<b>Medical Protection Accounts Receiving EAP or LIHEAP Assistance</b>			
<b>June 2010</b>			
<b>National Grid</b>	<b>NHEC</b>	<b>Unitil</b>	<b>PSNH</b>
27%	42%	20%	40%

There is no financial means test to qualify for medical protection status, but it is reasonable to surmise that households with medical issues are likely to have significant health care expenses that other residential customers do not have. Additionally, electric usage and therefore electric bills may be higher as a result of the use of medical equipment. Customers with medical protection are required to enter into payment arrangements with the utility to keep them on a regular schedule of utility payments because no condition, including a medical condition, is a legally permissible basis for free utility service.<sup>5</sup> Similarly, the requirement for renewal of medical emergency certification from the customer's doctor or mental health practitioner is designed to ensure that customers are provided protection commensurate with the length of the need and recognizing that the person with the medical condition may move from a particular residence.

Ultimately, utility bills that are never collected from customers are an expense that utilities can recover through rates from other customers, and with the downturn in the economy, the amount of uncollectible accounts is increasing. Over time, a higher level of uncollectible balances and accounts increase the rates of all ratepayers. Protections from service disconnection that are provided to more vulnerable customers, therefore, must strike an appropriate balance between providing additional protection to those customers with circumstances that increase their dependence on electricity, or impair their ability to afford their electric bills, and the welfare of all customers in general.

To the extent that policymakers may seek to expand protection for customers with medical emergencies in a way that directly creates greater costs for other ratepayers, action by the Legislature to change the Commission's governing statutes would be required. Correspondingly, if policy makers seek to expand or streamline the utilities' ability to collect

<sup>5</sup> RSA 378:14 prohibits the provision of free service or service at a different level of compensation than that set forth in the rate schedules on file with the Commission.

past due charges through methods such as simplifying procedures to impose liens on property, that would also require the Legislature to make statutory changes. The Commission will focus its efforts on rulemaking issues currently within its jurisdiction as described elsewhere in this report.

## V. Conclusions

Based on our review of the utilities collections practices, it appears that each utility uses the protections established in Commission rules for residential customers with medical emergency certifications as a minimum practice. Without exception, the utilities have extended the length of time for which a medical emergency certification, and the additional protection which stems from that, applies. They have also implemented communications not required by the Commission's rules to this group of customers to remind them that their certification will need to be renewed and provide instructions on how to do so.

In considering the protections provided under the Commission's rules and the additional protections adopted by the utilities, two areas stand out for closer attention and common applicability among the utilities. The first area concerns the appropriate length of a medical emergency certificate, including differentiating the length of such certificates in relation to varying customer circumstances. The second area concerns standardizing the process for treating customers whose medical certificates lapse. These two areas and others will be addressed through a rulemaking proceeding while the Division of Consumer Affairs will coordinate education and outreach efforts among the utilities and stakeholders.

The rulemaking proceeding will address a number of areas in addition to the two described above. For instance, with regard to customers with past due balances who have previously provided notification of a medical emergency but who have not renewed that notification after it lapses, it may be appropriate to have a different procedure before utilities terminate service, at least for some period of time following the expiration of the notification, such as requiring personal contact with an adult member of the household before disconnecting. Additionally, there are practices that can be gleaned from utility policies and processes that are appropriate to consider in an administrative rules proceeding. Those practices include but would not necessarily be limited to:

- use of a standardized form to facilitate certification by physicians and mental health practitioners that a medical emergency would exist if service were disconnected;

- allowing physicians or mental health practitioners to certify the length of time for which the condition will exist;
- reminder letters to customers when the pending initial certification has not yet been received;
- reminder letters to customers when the current certification is about to expire; and
- notice to customers once the certification has expired and the medical protection status been removed from the account.

Finally, while it appears that the electric utilities have sound processes for identifying accounts for which certification of a medical condition has been provided, it would be useful to require utilities to report to the Commission when service is disconnected in error to a customer whose account is medically protected. This will allow the Commission to better monitor the robustness of utilities' processes and determine when improvements to those processes may be necessary.

To ensure that customers with medical protection status, as well as physicians and mental health practitioners, understand their responsibilities and the medical emergency notification process, further action beyond an administrative rules proceeding may also be appropriate. PSNH recently implemented a web portal that physicians and mental health practitioners can use to certify a medical emergency for their patients. Further discussion regarding the ability of other utilities to offer the same or a similar service is warranted.

An evaluation of the appropriate level of communication and outreach to physicians and mental health practitioners and the identification of community partners for this outreach will be undertaken. While utilities have responsibilities that they are held accountable for, customers also have a role in managing their electric service accounts. Customers with medical conditions who depend on electric service for their health or survival may also benefit from additional information on the impact of electrical outages due to natural and accidental causes, which are inevitable from time to time, as well as the value of having some form of reliable electrical back-up for medically essential devices, along with an emergency communication ability, in the event of an unexpected outage or disconnection. The Commission's Consumer Affairs Division will work with utilities and other interested entities to develop appropriate steps for such outreach to customers and other groups.

In reaching these conclusions, New Hampshire utility practices were reviewed and disconnection practices of other states in the region were surveyed. The utilities' responses were helpful in assessing the medical protections on electric accounts in New Hampshire in relation to those provided by other states. In general, the protections offered by New Hampshire rules were similar to those in other states. In some instances, New Hampshire's rules provide greater customer protection than those of other states. For example, in Massachusetts a medical certification noting a serious illness provides protection from disconnection only when there is also a financial hardship certification. In Maine, the certification of a medical emergency is valid for 30 days and can only be renewed two times in any 12 month period. Similarly, in Vermont, a medical emergency certification is also valid for 30 days and may not exceed three 30 day periods in any calendar year except upon written order from the Public Service Board. Commission Staff discussed the benefits or disadvantages of each approach with the utilities, the OCA and NHLA. The potential changes identified in this report should simplify the process for medical protection customers and their health care providers, provide greater safeguards for customers with recently lapsed medical protection status and incorporate best practices into rules.