

STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

April 5, 2011 - 10:10 a.m.
Concord, New Hampshire

NHPUC APR28'11 PM 2:01

RE: DRM 10-296
RULEMAKING:
Puc 1200, Utility Practices
Related to Past Due Accounts.
(Hearing to receive public comments)

PRESENT: Chairman Thomas B. Getz, Presiding
Commissioner Amy L. Ignatius

Sandy Deno, Clerk

APPEARANCES: (No appearances taken)

Court Reporter: Steven E. Patnaude, LCR No. 52

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P R O C E E D I N G

CHAIRMAN GETZ: Okay. Good morning, everyone. We'll open the hearing in Docket DRM 10-296, concerns Commission Rules Part Puc 1200 regarding disconnection of service. The hearing this morning is held pursuant to RSA 541-A:11 under the Administrative Procedures Act. And, the purpose of the hearing is to take public comments on the proposed rules. I'll note for the record that a quorum of the Commission is sitting this morning pursuant to 541-A.

In terms of procedural background, on July 30, 2010, the Commission issued a report on regulatory requirements and utility practice regarding medical emergency customers. Among other things, the report reviewed electric utility policies and procedures regarding disconnection of service. And, the Commission announced its intent to address certain issues through a rulemaking proceeding, including the appropriate length of medical emergency certificates and standardizing the process for treating customers whose medical certificates lapse.

And, an order of notice was issued on December 9th that, among other things, indicated that a technical session would be held to review a draft set of

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1 rules. A subsequent order of notice was issued on
2 February 28 indicating that the Commission had voted on
3 February 7 to initiate a rulemaking with respect to Puc
4 Part 1200, indicating that the amendments are intended to
5 clarify the definition of "medical emergency" situations,
6 among other things. And, indicates that a rulemaking
7 notice was filed with the Office of Legislative Services
8 on February 22nd setting the hearing for today, and
9 indicating a deadline for written materials on April 22nd.
10 I think that completes the procedural background for the
11 record.

12 And, I see that we have a list of
13 individuals that are prepared to speak. But I'll begin
14 with Staff, Ms. Fabrizio or Ms. Noonan, is there anything?

15 MS. FABRIZIO: Thank you, Mr. Chairman.
16 As you noted, we did hold a technical session on
17 January 4th of this year, which was quite well attended by
18 representatives from the four electric, who also cover
19 some gas, water, and the New Hampshire Legal Assistance
20 and the OCA. And, Staff would note that we received lots
21 of comments and very helpful input at that meeting, and
22 some follow-up in writing afterwards. And, we've tried to
23 incorporate those comments in the draft that we have
24 before us today.

1 I will turn the mike over to Amanda
2 Noonan to highlight for you the key changes that were made
3 in this proposal.

4 MS. NOONAN: Thank you. As you had
5 indicated, Chairman Getz, the Commission issued a report
6 in late July of 2010 and identified some areas for review,
7 which formed part of the basis for the Staff's proposed
8 rules that it submitted to the Commission. Two of the
9 most significant changes really revolve around the length
10 of time for a medical emergency certificate. So, as these
11 rules are drafted now, the physician or other qualified
12 medical person would indicate the length of time that this
13 medical emergency certificate would be valid for, with a
14 maximum of one year. That's a change from the current 60
15 day requirement.

16 And, the second primary area is to
17 establish a different process for customers who have had a
18 medical emergency certification that has lapsed and
19 continue to have a past due balance on their account.
20 Within a six month period following the lapse of that
21 medical emergency, there would be a different collections
22 process for those customers to provide some additional
23 protection to them, in the event that their medical
24 situation continues, and they have simply not had the

1 opportunity to update the certification with their
2 physician.

3 CHAIRMAN GETZ: All right. Thank you.
4 Mr. Eaton.

5 MR. EATON: Thank you, Mr. Chairman.
6 For the record, my name is Gerald Eaton. I'm Senior
7 Counsel with Public Service Company of New Hampshire.
8 Today, we're dealing with an important issue regarding
9 public safety, and addressing the communication and
10 procedures that are required to deal with customers who
11 have a certified medical emergency. And, these procedures
12 revolve around what steps and communication the utilities
13 should take regarding nonpayment and a potential
14 disconnection of service.

15 The rules do not address instances where
16 power is interrupted due to storms or accidents. It does
17 address when there's a scheduled interruption of power.
18 And, I think we all must continue to deliver the message
19 to customers that have a medical emergency that they need
20 a backup plan when power is interrupted. And, as you
21 know, in the ice storm that Public Service Company had, we
22 weren't able to restore power for up to two weeks. And,
23 we were very glad that no customers were -- they were
24 inconvenienced, of course, but no customers suffered, as

1 far as we know, any serious medical problems, and they had
2 backup plans to either have a generator or to go somewhere
3 else.

4 What we like about the proposed rule is
5 the certification period is longer. PSNH had already
6 adopted a longer period than 60 days for when we would get
7 back to customers whose certification had lapsed. And, we
8 believe that the 90-day period up to a year is a
9 reasonable amount of time.

10 The rules clarified the utility's
11 responsibility when certification ends. What we should do
12 to ensure that the customer either gets recertified or the
13 customer realizes that it's back under the regular
14 collection procedures.

15 And, it permits PSNH to accept
16 certification messages from medical professionals through
17 an electronic porthole. We have developed a site that is
18 specific for this purpose, that medical professionals can
19 deliver the certification, and the rules provide that this
20 is a proper way to effectuate the certification.

21 We have some problems with the proposed
22 rules. And, the first problem area is the
23 self-certification. This can take place at any time up to
24 the point when a disconnection is about to take place.

1 Utility has to wait 10 calendar days from the
2 self-certification -- I'm sorry, 15 calendar days from the
3 date of the self-certification for medical personnel to
4 verify. And, if that doesn't arrive, the utility must
5 send a reminder letter and wait an additional 15 calendar
6 days. By this time, any disconnect notice is stale, which
7 raises a question of whether we have to issue another
8 disconnect notice, and the customer, by this time, is 30
9 days further behind in paying their bill. There is a
10 possibility that the customer could keep self-certifying
11 and creating some sort of an endless loop that would never
12 have the customer address the payment issues.

13 One issue that we raised in the
14 technical session, which is not addressed in the proposed
15 rules, is that there is no means testing for protection
16 from disconnection for nonpayment. And, the initial --
17 the existing Commission's rules have -- Chapter 1200 has a
18 definition of "financial hardship". Many rules, such as
19 disconnect rules and deposit rules and winter termination
20 rules give special protection for customers who have a
21 financial hardship. And, this is something that the
22 existing rules already provide for. It has to do with
23 customers that are on a -- some sort of a financial
24 assistance program, it could be Low Income Home Energy

1 Assistance, or otherwise known as "Fuel Assistance", or
2 Neighbor-Helping-Neighbor, or Temporary Aid to Needy
3 Families". These are customers that are identified to the
4 utilities and we have to treat them differently. The
5 Electric Assistance Program is one of these as well. And,
6 there must be an annual recertification of a financial
7 hardship. That's also committed in the existing rules.

8 We're not against providing extra
9 protection for customers with a medical emergency and have
10 a difficult time paying their bills. But we believe that
11 there will become, if not already, there will become a
12 feeling that a medical emergency means that a customer
13 doesn't have to pay their bill and doesn't have to keep
14 current with their utility accounts.

15 We believe that the procedures that have
16 been set up will be very labor-intensive to track medical
17 emergency customers and will increase the cost to
18 administer this particular portion of the Commission's
19 rules. There will be more letters generated and keeping
20 track of when certification expires. There will be
21 extensive data-gathering when requesting permission to
22 disconnect. And, the Commission's work will be increased,
23 even though permission is not granted often by the
24 Commission when requested.

1 As I said, we want to avoid a situation
2 where there's a perception that customers don't have to
3 pay their bills. And, as I'll point out, there are
4 customers who are currently on medical emergency
5 certification, and I have some data which I would like to
6 show the Commission, concerning where we're at right now.

7 (Atty. Eaton distributing documents.)

8 MR. EATON: As you can see from the top
9 chart, that's a description of the customers that are on
10 medical emergency certification as of mid March of this
11 year. Forty-two (42) percent of the customers in the
12 first line are current. We consider them to be current if
13 they're no more than 60 days in arrears. So, either they
14 paid their current bill or they're only 30 days behind and
15 they have one bill outstanding. We assume that these
16 customers want to be identified as having the medical
17 condition, and, in fact, some of them would be probably
18 quite taken aback if we approached them and said "we're
19 willing to help with any payment problems you have." They
20 don't really have payment problems, but they do have a
21 legitimate medical condition that they would like to be
22 identified to the utility. They represent 42 percent of
23 the customers on medical emergency and 5 percent of the
24 arrears.

1 The other category, at the bottom of the
2 first chart, is -- I use the technical term "way behind",
3 because they wouldn't let me say "wicked far behind".
4 And, these are, again, 45 percent of the customers, and
5 represents 90 percent of the arrears.

6 Now, some of these customers, in the
7 whole chart, are already enrolled in the Electric
8 Assistance Program. At approximately the same time we
9 compared the two, and there were 637 customers on the
10 Electric Assistance Program who were also certified with
11 medical emergencies. Some of these people that we've had
12 on our service, they pay a portion of their bill every
13 month. And, we know what their conditions are. And, we
14 don't -- we have no problems with that. Because, under
15 the Commission's rules, and this is currently Puc -- or
16 will be 1205.05(b)(2), they're making a good faith effort
17 to make payments on their utility bill. So, even though
18 the bill may with \$200, and they pay \$100 every month, we
19 don't care about those customers. We're not going to --
20 we're not going to take collection action against them.
21 They're making a good faith effort based upon what they
22 can do. And, that's what these rules are supposed to be
23 designed to assist.

24 Some of the customers in the "Way

1 Behind" category make no payments at all or break a series
2 of extended payment arrangements before PSNH brings a
3 process to the Commission to request permission to
4 disconnect. We must -- all must focus on a way to make
5 these customers and future customers that are certified
6 aware that their responsibility for payment does not end
7 with a certification of a medical emergency. And, I
8 think, if we can just emphasize that language in the rules
9 that the customer must make a good faith effort to pay
10 their bills, I don't think we have difficulty with the
11 rules. And, I think it's a matter of enforcement, versus
12 how you write the rules.

13 There will be increased costs to the
14 utilities. And, as I describe below, because it will be
15 labor-intensive to track the number of customers that we
16 believe will continue to seek this protection, and there
17 will be increased accounts receivable costs.

18 The second chart that I put on the
19 handout was the experience in Connecticut with the two
20 utilities that are affiliates of Public Service Company.
21 As you can see, there are many more categories in
22 Connecticut. And, this type of protection has been -- has
23 been in place longer than it has been in New Hampshire.
24 And, there's at least two different categories you can see

1 on the left-hand column; a "serious illness" and "life
2 threatening" certification. And, then, there's a
3 declaration of "hardship" and "no hardship". But what I
4 think is significant is that the last two "delinquent"
5 categories of "Life threatening hardship delinquent" is
6 \$8 million in arrears and "Life threatening no hardship
7 delinquent" is \$28 million in arrears for Connecticut
8 Light & Power. The numbers for Yankee Gas are much
9 smaller, but Yankee Gas has 180,000 customers, Public
10 Service -- residential customers. Public Service Company
11 has 420,000 residential customers. And, Connecticut Light
12 & Power has 1,100,000 residential customers.

13 We, as an overall company, Northeast
14 Utilities, see this as a growing problem of collection of
15 debt from these customers. And, again, it's a matter of
16 enforcement and getting the idea out that these customers
17 must make a good faith effort to pay their bills.

18 In Connecticut, the way they have
19 addressed the problem of accounts receivable is that the
20 utility may, I won't say "write off", because they don't
21 actually write off the amounts, but any amounts that are
22 over 120 days in arrears they can collect from other
23 customers. So, after 120 days, the cost is passed onto
24 other utility customers. Which isn't necessarily a good

1 thing. It means that a majority of customers are paying
2 amounts that are -- that are quite high, which are
3 generated by the rules, and it may not be a good enough
4 incentive for the utility to continue to pursue collection
5 of these amounts.

6 We would address the issue of cost
7 recovery, because, as the Commission is aware, in our last
8 rate case, there's a provision for reopening the rates
9 based upon changes in Commission rules or accounting
10 practices. And, we believe that this will create a great
11 many more -- a great increase in accounts receivable and
12 in write-offs, and that will need to be addressed if the
13 Commission adopts the rules as they are and the practice
14 of certification increases.

15 We will have some projections in our
16 written comments of where we think it's going as far as a
17 number of customers and amount of arrears that we believe
18 will happen within the next year as the Commission's rules
19 are charged. We have noticed, since the moratorium went
20 in effect this past summer, that the numbers have grown of
21 the people that are certified to have this protection.

22 I'll answer any questions the
23 Commissioners might have.

24 CHAIRMAN GETZ: Thank you. Commissioner

1 Ignatius.

2 CMSR. IGNATIUS: Thank you. Good
3 morning, Mr. Eaton. Do you have data to separate out the
4 folks who are under medical certification currently, who
5 are making an effort to make payments regularly and those
6 who are not, you said you have both, some do, some don't.
7 Do you have any breakdown of that?

8 MR. EATON: Out of the -- well, first of
9 all, the first category of the current, those are
10 42 percent that we have no collection problems at all. I
11 don't know if we have an idea of how many are doing that
12 or --

13 CHAIRMAN GETZ: Well, wait a second.
14 Mr. Patnaude has to hear what's being said.

15 MR. EATON: Mr. Dee of the Credit
16 Department has said they haven't run a report on that to
17 see, it's probably judgmental, but to see what customers
18 are making an effort and what customers are not, out of
19 the -- maybe the category of the ones that are in that
20 category of "way behind".

21 CMSR. IGNATIUS: Do you have language to
22 propose or will you be submitting language to resolve some
23 of the concerns that you described today in the rules?

24 MR. EATON: We presented some language

1 at the tech session on incorporating financial hardship
2 into the rules. We have not developed language, but we'll
3 try to develop language about maybe contracting that
4 period of time that self-certification allows, and whether
5 a disconnect notice becomes stale after the customer has
6 already put the brakes on through self-certification.

7 CMSR. IGNATIUS: That would be helpful.
8 Thank you. One other question. You had said that, in
9 your view, there will be an "increase in the data
10 collection, the workload at the utilities, the workload at
11 the Commission as a result of these rules." Can you
12 describe a little more why you think there will be an
13 increase in all of those things?

14 MR. EATON: There's requirements, more
15 requirements of sending notice to customers, of keeping
16 track of the customers who self-certify, and when we would
17 expect to receive a verification from the medical
18 professional. And, then, if we don't receive the medical
19 professional's verification requirement, that we send a
20 letter to the customer saying that we need that. A lot of
21 this is a manual process to keep track of these, each
22 individual cases, to be able to track them and know that
23 we're complying with the Commission's rules. There are
24 customers coming off medical certification that we need to

1 send a reminder to before they come off. And, if they
2 don't get a recertification, another reminder to send them
3 after they come off. So, these are -- these are new steps
4 that I don't believe were in the existing rules that need
5 to be followed up. We'd be able to document some of that
6 in our written comments.

7 CMSR. IGNATIUS: All right. And, you
8 might, at the same time, look at what, with the extension
9 of the certification period to longer periods of time,
10 there will be some offsetting paperwork burdens, I assume,
11 yes?

12 MR. EATON: If we were to stay at 1,700
13 customers, I would say "yes". I don't think we're going
14 to stay at 1,700 customers on medical emergencies.

15 CMSR. IGNATIUS: Because of the
16 financial hardship issue?

17 MR. EATON: Just because we'll be
18 informing the -- we'll be informing all customers twice a
19 year, according to the rules, about the medical emergency
20 rules. This provision is well known to town and city
21 welfare people. And, we believe that, in some cases,
22 they're actually providing forms to customers who are
23 seeking assistance from the town or city with their
24 electric bills. And, so, it's the existence of this

1 protection will be greater known, and we believe the
2 numbers will expand, as they have in Connecticut.

3 CMSR. IGNATIUS: Okay. I guess one last
4 question. As you think about the financial hardship
5 issue, I'd be curious if it's your view that, for medical
6 emergency or medical certification cases, the thresholds
7 required for the assistance programs you described should
8 be the same as the threshold for medical certification or
9 whether a higher threshold is appropriate? And, I'll tell
10 you, we've heard anecdotally there are people who may not
11 qualify for any of those assistance programs, but, because
12 of the medical problem, are very strapped financially in
13 some cases. And, although they don't meet the standards
14 for those assistance programs, would have a lot of trouble
15 making payments in full. Have you thought about that
16 issue? Is that a fair description from what we've heard
17 or maybe not in your experience?

18 MR. EATON: That's a concern that was
19 raised by Ms. Noonan. And, we looked to see if there was
20 a certification process that took into account high
21 medical bills, because most of the assistance programs
22 that I'm aware of have -- base it upon gross income, and
23 don't have deductions for medical expenses. I think, if
24 the rules and the Commission directed the customer to work

1 with us to really set up a medical -- extended a payment
2 arrangement, or even a payment arrangement like I
3 described before, that was based upon their ability to
4 pay, and they describe their medical costs to us, we're
5 willing to deal with them. It's the customers who -- what
6 we want to avoid is the customers who have this feeling
7 that "a medical emergency doesn't mean I have to pay
8 anything."

9 Again, if the rules emphasize they're
10 making a good faith effort, that would mean the same as
11 that customer who pays us \$100 on a \$200 bill, because
12 they have dealt with us and said "I'm not insured or my
13 insurance isn't very good. It doesn't cover prescription
14 drugs. And, I've got hundreds of dollars a month in
15 prescription drug bills, so I can only give you \$100 a
16 month." In most cases, we'd say "well, you're making a
17 good faith effort." It's getting them to talk to us and
18 work out that type of payment arrangement that's key.

19 CMSR. IGNATIUS: Thank you.

20 CHAIRMAN GETZ: All right. Thank you,
21 Mr. Eaton. Mr. Sorgman, did you have something?

22 MR. SORGMAN: Just a brief statement.

23 Just wanted to state for the record that National Grid is
24 in favor of the proposed rules as amended pursuant to the

1 technical conference.

2 CHAIRMAN GETZ: Thank you. Mr. Dean,
3 did you have anything?

4 MR. DEAN: No.

5 CHAIRMAN GETZ: Ms. Hatfield.

6 MS. HATFIELD: Thank you, Mr. Chairman.
7 Good morning, Commissioners. The OCA wants to begin by
8 thanking the Staff for the very inclusive process that
9 they have been holding that started really last summer,
10 where they asked utilities a series of questions to get a
11 sense of what practices the utilities had in place. And,
12 the OCA was able to participate in those discussions and
13 we greatly appreciate that.

14 I wanted to begin by commenting on some
15 comments that were filed by New Hampshire Legal Assistance
16 on behalf of The Way Home. And, those were filed on
17 January 7th. And, the OCA agrees with many of the points
18 that were made, so I thought I would just quickly touch on
19 a few.

20 The first relates to PSNH's proposal to
21 modify the rules to require that a customer show that they
22 have a financial hardship in order to get medical
23 emergency protection. We share some of the concerns that
24 New Hampshire Legal Assistance has raised with PSNH's

1 proposal for several reasons, including the fact that it
2 might create a situation that I think Commissioner
3 Ignatius just discussed with Mr. Eaton. Which is that
4 someone, I'm not sure if that would be the utilities or
5 the Commission or some other body, would likely have to
6 come up with another way to determine if someone met
7 another set of criteria. I think, in the past, utilities
8 have stated that they don't wish to be in the business of
9 determining if people really have a hardship. And, so,
10 the CAP agencies, for example, have done that work for
11 them. So, we're concerned about who would determine that,
12 and, if there was a process created, who would pay for it.

13 And, more generally, we have a concern
14 with having an absolute requirement that anybody who wants
15 to get a medical protection has to have a financial
16 hardship. We think there are situations where someone
17 just needs a short-term medical protection, and they may
18 not have a financial hardship. And, we don't think that
19 they should have to prove that they do.

20 And, in the early technical sessions in
21 this process, several of the utilities talked in a lot of
22 detail about the importance of them having information on
23 people who have medical conditions for purposes of outage
24 management and storm management. And, so, we wonder if

1 there might be some impacts on processes that the
2 utilities currently have in place to communicate with
3 people who have a medical condition, but who don't have
4 any type of financial need.

5 The second major section in New
6 Hampshire Legal Assistance's comments made in January
7 relate to the process --

8 CHAIRMAN GETZ: Actually, I want to ask
9 a question about that. I don't believe those have been
10 filed. I do have a letter from Legal Assistance dated
11 April 4th that appears to be -- to have been filed, which
12 says they "support the proposed medical emergency rules."
13 So, this was a letter circulated among the parties or
14 prior to the technical session? Is that what you're
15 describing?

16 MS. FABRIZIO: I think these, these
17 comments from New Hampshire Legal Assistance were
18 submitted by e-mail after the tech session, in response to
19 Staff's invitation for comments, as we continued to refine
20 the Initial Proposal. But they may not have made it into
21 the Docketbook.

22 CHAIRMAN GETZ: All right. Thank you.

23 MS. HATFIELD: Mr. Chairman, if it's
24 helpful, we will be providing written comments. And, so,

1 we will cover these issues. And, I will communicate with
2 Mr. Linder, who is not here today, and just let him know
3 that these comments that he made previously are not in the
4 record of this case. If he wishes them to be, then he
5 needs to refile them.

6 CHAIRMAN GETZ: Okay. Thank you.

7 MS. HATFIELD: So, I apologize for that.
8 The second major area, as I said, relates to the process
9 for disconnection of service to medical emergency
10 customers. And, this is something that has been discussed
11 at technical sessions related to whether or not the
12 customer is actually notified when the utility makes a
13 request to the Commission, which we understand is made to
14 Ms. Noonan and her division, as to whether the Commission
15 would approve the disconnection of a medical protection
16 customer. And, it's our understanding that there is
17 usually contact with the customer, but we don't think that
18 the rules are clear about that process. And, we think
19 that the rules should be more clear that the customer has
20 the right to know that the utility has actually asked to
21 disconnect them and that the process provides for the
22 customer to have some input into that decision. And,
23 again, we believe that there is some process that
24 currently does take place, but it's not clearly spelled

1 out in the rules.

2 With respect to some of Mr. Eaton's
3 comments today, we agree with him that -- he said several
4 times that part of the challenge that they're facing with
5 uncollectibles is related to enforcement and communication
6 and education of customers. And, we agree with those
7 statements. We think that there is a process in place for
8 the utilities to seek to disconnect these customers, and
9 the utilities should be using that process, and taking
10 advantage of the steps that they can take, rather than
11 trying to completely change the rules so that medical
12 protection is only available for customers who have
13 financial hardship.

14 If the utilities or if PSNH doesn't
15 believe that the rules are clear enough about the fact
16 that a customer has to have a payment arrangement and must
17 stick to the payment arrangement, perhaps the rules could
18 be strengthened in that area. And, perhaps the PUC and
19 our office and the utilities and others could do more
20 outreach education to customers, to make it more clear to
21 them that they do need to make a good faith effort. But
22 we think that the issues related to uncollectibles and any
23 issues related to customers not making a good faith effort
24 need to be pursued through various channels, rather than

1 completely changing the medical protection rules as they
2 have proposed.

3 As I said previously, the OCA will be
4 providing written comments, both on the specific changes
5 to the 1200 rules, as have been discussed today, and also
6 we may have some additional comments on other sections of
7 the 1200 rules, as it is our understanding that all of the
8 1200 rules are being re-promulgated in this process.
9 Thank you.

10 CHAIRMAN GETZ: Thank you. Is there
11 anyone else who would like to speak to the rules this
12 morning? Ms. Fabrizio.

13 MS. FABRIZIO: Thank you, Mr. Chairman.
14 Just in response to some of the comments that have been
15 made by Mr. Eaton, as well as Ms. Hatfield today.

16 Mr. Eaton is correct that customers need
17 to be informed about their obligation to pay, and
18 implications of not paying. And, we think that we have
19 addressed those in the rules as proposed here. In
20 particular, in 1205.02(h), when a utility is notified of
21 the existence of a medical emergency, that utility is then
22 required to inform the customer in writing of a number of
23 items, including the continuing obligation to pay for
24 services, the requirement to enter into a payment

1 arrangement for amounts past due, and, on another point
2 that Mr. Eaton raised, the need for the customer to plan
3 for power outages that might occur.

4 And, with respect to -- I think
5 Ms. Hatfield noted that there was some lack of clarity in
6 the process required regarding disconnection, and that the
7 customer should be notified when a utility approaches the
8 Commission with a request to facilitate disconnection.
9 And, Provision 1205.03(d), in fact, requires a utility to
10 notify a customer in writing of its request at the time it
11 makes it to the Commission. So, we do feel that it's
12 incumbent on the utility to make efforts to educate the
13 customers of their obligations under these rules, as well
14 as possible implications.

15 That said, of course, Amanda's office
16 does an excellent job in responding to customer
17 complaints. And, she and her team will continue to raise
18 these issues with customers as the issues do arise.

19 I would like to turn the mike again to
20 Ms. Noonan to discuss the issues raised regarding
21 arrearages in the recovery area.

22 MS. NOONAN: Thank you. I think that,
23 you know, we would agree with the comments certainly that
24 Ms. Hatfield made on behalf of the OCA about the financial

1 hardship proposal raised by PSNH, and would echo some of
2 those comments, in that, that Mr. Eaton made, actually,
3 that the financial hardship programs that are identified
4 in the definition of the 1200 rules of a "financial
5 hardship" do not, for the most part, take into
6 consideration extraordinary medical expenses. They
7 usually look at the customer's income. And, so, there
8 would be many customers that would not be eligible under
9 that "financial hardship" definition that certainly have
10 extraordinary medical expenses that impact their ability
11 to pay for other things, such as their electric service
12 and other everyday services. So, we're concerned about
13 that group of customers that wouldn't receive the
14 protection under this proposal.

15 We're also concerned about the group of
16 customers that doesn't apply for those programs, but would
17 certainly be financially eligible for those programs.
18 And, they're kind of left out of this protection under
19 that proposal.

20 And, also, as Ms. Hatfield pointed out,
21 the customers that don't have a financial hardship
22 wouldn't even, perhaps, if you took into account their
23 medical expenses, but still need to be recognized and
24 receive this protection for the duration of their medical

1 condition, not only to protect their service, but also for
2 the utility to know, in their outage management processes,
3 of what's going on within this customer's home and how to
4 prioritize restoration of service, who to reach out to,
5 *etcetera*.

6 So, I think there's a number of reasons
7 why it's important to focus on what perhaps we can do in
8 other sections of the rules, and, certainly, Staff is very
9 willing to work with PSNH and the other utilities, the
10 OCA, the New Hampshire Legal Assistance, to see if there
11 are areas where the rules could be clearer, they could be
12 strengthened to address some of these issues, without
13 changing the whole paradigm of how we look at medical
14 emergency protection.

15 You know, we're sympathetic to PSNH's
16 concern that this may just become a growing issue for
17 them, and the impact that it would have on other
18 customers. But don't think that their proposal is the way
19 to address that.

20 The other -- a couple other things I
21 just wanted to touch on was the increase in data
22 collection administration issue that was raised by PSNH.
23 Certainly, some of the reminder letters may be an
24 additional process for the utilities, but are certainly

1 processes that could be easily automated to send that
2 letter out to customers. Keeping track of customers that
3 self-certify is something utilities have to do today. The
4 window in the rules is 7 days versus 14 -- 15 days, but
5 customers can still prevent a disconnection with verbal
6 notice to the utility. And, so, those two pieces of
7 keeping track that the customer provided with that
8 notification and keeping track of when you would expect
9 the letter from the doctor exists today, but it may be the
10 reminder letter pieces that are different.

11 As far as a growing population to manage
12 and requests, I don't know that we have a whole lot of
13 control over that piece of it. It may, in fact, just be a
14 part of an aging population. And, although the rules
15 require notice to customers twice a year, it appears on
16 every disconnect notice today. So, to the extent that
17 payment troubled customers are the concern, they already
18 see that notice on every disconnect notice they receive.
19 They get standard language on there about "If you believe
20 a medical emergency exists in your home, please contact
21 your utility." So, those folks, who would seem to be the
22 focus of folks, perhaps, who aren't paying their bill, are
23 already well aware that this is out there, because they
24 see it on every disconnection notice they receive.

1 And, there's just one other comment that
2 Staff would make that no one has raised today on the
3 Initial Proposal. And, that is on Section 1203.07(b),
4 which involves payment arrangements. There was a change
5 made to reflect the renumbering and the pulling out of the
6 "medical emergency" section to a new section all on its
7 own. And, inadvertently, the reference to where telephone
8 utilities would find this information was stricken from
9 the rules, and it should be reinserted. Because rules for
10 telephone utilities are separate, they're in Chapter Puc
11 400, and shouldn't have been removed from this rule. The
12 citation to the 400 rules is incorrect and we will fix
13 that and provide that in our comments, but that one
14 provision should be reinserted.

15 MS. FABRIZIO: Thanks. And, Staff
16 recognizes that there's always room for improvement. And,
17 so, we welcome additional comments during the next 10-day
18 period, in the event we can further improve the clarity of
19 the rules. And, thank you.

20 CHAIRMAN GETZ: Commissioner Ignatius.

21 CMSR. IGNATIUS: Thank you. Ms. Noonan,
22 help me. It may be here and I've forgotten. Is there a
23 requirement that, for a valid medical emergency
24 certification, there also be a payment arrangement on

1 file?

2 MS. NOONAN: Yes. That is part of the
3 current and proposed rules that, in order to maintain the
4 protection on the account, the customer has to not only
5 provide certification from a physician/mental health
6 practitioner, but also enter into and maintain a payment
7 arrangement. And, if you give me a moment, I'll see if I
8 can find that reference for you.

9 CMSR. BELOW: I think it's
10 1205.02(h)(2), which is near the top of Page 8.

11 MS. NOONAN: Yes.

12 CMSR. BELOW: That starts it. And,
13 then, there's --

14 MS. NOONAN: That does start it. That
15 is the statement from the utility to the customer saying
16 that they have to enter into a payment arrangement.
17 1205.02(a) is the statement that says "Provision of a
18 medical emergency certification, in conjunction with a
19 payment arrangement for any past due balances...shall be
20 sufficient to protect a customer's account from
21 disconnection of service so long as the customer complies
22 with the terms of the payment arrangement."

23 CMSR. IGNATIUS: And, you said that's in
24 the current provisions as well?

1 MS. NOONAN: Not quite in that language,
2 but, yes. In the current rules, it would be I believe in
3 12 -- let me go back a couple pages -- 1203.11, and it
4 would be I believe what is currently (e), (e)(4).

5 CMSR. IGNATIUS: Thank you.

6 CMSR. BELOW: Ms. Noonan, in our review
7 that the Commission Staff, that you and we did, of the
8 current utility practices last summer --

9 MS. NOONAN: Yes. Uh-huh.

10 CMSR. BELOW: -- and fall, did you --
11 how would you compare what we found the actual practice of
12 most utilities was relative to notification, compared to
13 the proposed rule? As I recall, in general, most
14 utilities took additional steps, in terms of reminders or
15 additional outreach efforts, beyond -- or allowed
16 additional periods of time beyond the minimum required in
17 the rules that more approached what the new proposed rule
18 does. Is that fair to say?

19 MS. NOONAN: Yes, that is. I don't have
20 in front of me, by utility, what each one did. But it's
21 certainly very fair to say that all the utilities did
22 something beyond what's in the current rules. And, in
23 fact, the proposal about reminder notices, *etcetera*,
24 that's in the proposed rules is one that at least one, and

1 I think two utilities currently follow.

2 CMSR. BELOW: Thank you.

3 CHAIRMAN GETZ: One other thing.

4 Ms. Fabrizio, with respect to the deadline for written
5 comments, did you say it's within -- I think you may have
6 said "within ten days", but -- well, what did you say?
7 Because I think it's April 22nd.

8 MS. FABRIZIO: I thought it was a ten
9 day period that we provided, and I'm speaking from memory
10 here.

11 CHAIRMAN GETZ: I think the order says
12 the deadline for written comments is "April 22nd".

13 MS. FABRIZIO: Twenty-second, yes.

14 CHAIRMAN GETZ: That's also in the
15 rulemaking form. So, whatever you said, let's clarify
16 that for the record.

17 Okay. Is this anything else? Any other
18 comments this morning?

19 (No verbal response)

20 CHAIRMAN GETZ: Okay. Hearing nothing,
21 then, we'll close the rulemaking hearing. Wait for the
22 written comments and take the matter under advisement.

23 Thank you, everyone.

24 **(Whereupon the hearing ended at 11:01 a.m.)**