

STATE OF TENNESSEE

Office of the Attorney General



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VIA ELECTRONIC FILING

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James H. Jeffries, IV, Esq.
McGuire Woods, LLP
201 North Tyron Street, Suite 3000
Charlotte, NC 28202

Re: Tennessee Public Utility Commission, Docket No. 20-00047, *Emergency Petition to Suspend Service Disconnections*

Dear Mr. Davidson and Mr. Jeffries:

The Consumer Advocate Unit in the Financial Division of the Office of the Tennessee Attorney General (Consumer Advocate) would like to first express its appreciation to Piedmont Natural Gas, Inc. (Piedmont) in its responsiveness to our initial inquiry from June 4, 2020. This week, Piedmont filed its most recent weekly report in the above-referenced docket. In this filing, you provided “copies of screen shots to illustrate this process form the customer’s perspective.”¹ The Consumer Advocate has reviewed the screen shots and we have the following concerns and requests:

1. Limited length of extended payment agreements. The Consumer Advocate is concerned that the three- and six-month payment agreement options being offered by Piedmont to its customers provide an insufficient time period for customers impacted

¹ Piedmont Natural Gas, Inc. COVID-19 Response Weekly Update (June 16, 2020).

by the COVID19 pandemic.² In its Order, the Commission recognized that “many of our most vulnerable households are without work and have little or no income. Businesses, small and large, depend upon basic utility services even as they face potential supply chain problems, a lack of cash-flow, and employees that are unavailable to work. In these challenging times, maintaining safe, reliable and reasonably priced service must remain a priority.”³ The economic effect of COVID19 will continue to be felt by many utility customers for some time even after Tennessee Governor Bill Lee’s State of Emergency is lifted. Accordingly, the Consumer Advocate requests that Piedmont consider the deferred payment arrangements (DPAs) being offered to residential customers in Illinois. In the recently approved Stipulation Agreement, residential customers will be allowed up to 18 months (non-financial hardship) or up to 24 months (financial hardship) for DPAs.⁴

2. Satisfaction of payment arrangement. The Consumer Advocate is concerned with what appears to be the lack of flexibility for a customer whose financial condition may change during a payment-agreement period, resulting in a need to restructure the payment agreement. Specifically, in the “Terms and Conditions” section of the text messages sent to its customers, Piedmont states that a “customer may end this [payment] agreement by paying all outstanding bills and must satisfy all payment arrangements entirely before entering into another agreement with Piedmont Natural Gas.” As previously stated, many utility customers will continue to deal with the adverse effects of COVID19 even after the Tennessee State of Emergency is lifted. Therefore, the Consumer Advocate requests that Piedmont provide a process that recognizes the economic struggles of its customers. An example of flexibility in a payment arrangement is provided by the Stipulation Agreement recently approved by the Illinois Commerce Commission. Illinois provides for customers “whose financial condition changes during the terms of a DPA, or a customer who defaults for the first time on a DPA, and who seeks to reestablish payment arrangements, may do so one time with the same terms offered under this Stipulation.”⁵
3. Notice of the Commission’s Order Suspending Disconnection of Service. The Consumer Advocate is concerned that customers are not immediately made aware of the Commission’s Order Suspending Disconnections. Without such a prominent notice up front, Piedmont’s customers may be confused and believe that they must enter into a payment plan or else risk being disconnected. The Consumer Advocate recognizes that Piedmont does inform its customers in the “Terms and Conditions” section of the text messages that it has suspended disconnections for nonpayment but Piedmont does

² Tennessee new unemployment claims filed for the week ending June 13, 2020 is 19,925 and the number of continued claims is 280,593. <https://www.tn.gov/workforce/covid-19/news/2020/6/18/tennessee-new-unemployment-claims-filed.html>

³ *Order Requiring All Jurisdictional Utilities to Suspend Actions to Disconnect Service for Lack of Payment During the State of Public Health Emergency*, p. 3, TPUC Docket No. 20-00047.

⁴ *Order, In the Matter of Moratorium on Disconnections of Utility Services During the Public Health Emergency Declared on March 9, 2020 Pursuant to Sections 4 and 7 of the Illinois Emergency Management Act*, Appendix 1: Stipulation, p. 6, ¶8.b., Docket No. 20-0309 (June 18, 2020). A copy of this Order is attached.

⁵ *Id.* at p. 6, ¶ 8.d.

Follow-up Letter to Piedmont Natural Gas, Inc.
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not mention the Commission's Order. Also, the "Terms and Conditions" is located in a scroll-down of a text screen, which may be difficult for a consumer to read on a cell phone. Therefore, the Consumer Advocate requests that in its emails to customers regarding payment plans that Piedmont initially explain that the Commission has issued an Order Suspending Disconnections. Then Piedmont can explain that it is offering payment arrangements now to help "reduce stress for customers by addressing outstanding balances over time, free of interest charges, and before cold weather returns."⁶

The Consumer Advocate requests that Piedmont files its responses with the Commission in this Docket. However, if you believe that any supplemental information to be provided by CGC should be treated confidentially, the Consumer Advocate is open to discussing the treatment of such information. The Consumer Advocate appreciates your time and attention to this follow-up inquiry. I hope that you remain well.

Sincerely,



Karen H. Stachowski
Assistant Attorney General

cc: TPUC Docket No. 20-00047
Kelly Cashman Grams, TPUC
David Foster, TPUC

⁶ Piedmont Natural Gas, Inc. COVID-19 Response Weekly Update, p. 1 (June 16, 2020).