



July 13, 2020

David Foster, Director of Utilities
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243

RE: Docket 20-00047, Emergency Petition to Suspend Service filed by the Consumer Advocate Unit of the Financial Division of the Office of the Tennessee Attorney General

Mr. Foster:

Per the June 30, 2020 data request, Navitas TN NG, LLC provides the following in order to assist the Commission in its evaluation of the financial impacts of COVID-19 and the TPUC March 31, 2020 Order.

1. Navitas TN believes the moratorium on disconnections for nonpayment will not be sustainable through the winter months. Navitas TN believes the moratorium should be lifted by September 1, 2020. Should the Commission elect to extend the moratorium through the winter months Navitas TN requests that the Commission establish a winter-months procedure by which a plan is formed to assist utilities in surviving the untenable financial hardship associated with the March 31, 2020 Order in Docket No. 20-00047.
2. Due to the extraordinary circumstances surrounding the COVID-19 epidemic Navitas TN NG, LLC ceased pursuing the collection of late fees associated with nonpayment from February 15, 2020 to June 30, 2020.¹ In light of the extension on the moratorium on disconnections for nonpayment, Navitas TN has determined it is no longer economically feasible to continue this practice. Beginning July 1, 2020 Navitas TN will resume late fee accrual and collections.

¹ Additionally, in anticipation of a Commission request, Navitas booked, then reversed, late fees such that an accurate figure can be obtained later.



3. Navitas' Tennessee customers are only responsible for repaying late fee charges accrued on or after July 1, 2020. Due to the unique hardships of the individual customers and service providers, Navitas cannot definitively provide an answer that encompasses all effected parties. Navitas TN priority of collections are 1) current due, 2) past due, and 3) penalties.
4. Navitas TN encourages its customers to contact us if they have concerns over the payment of late fee charges. Navitas will work with customers to formulate payment plans for late fee accruals. Navitas may pursue small claims or avail itself of other remedies.
5. As of July 9, 2020, Navitas TN reports the following:
 - A. Residential Customers
 - a. Currently, Navitas TN has 432 residential customer accounts, 143 of which are past due by at least 31 days. The amount of past due customers has been consistently doubling every month since March 2020.
 - b. Excluding late fees, the aggregate amount owed by residential customers who are past due by at least 31 days is \$8,645.31.
 - c. Navitas TN residential customers have accrued \$45.51 in late fee charges.
 - d. There are 64 of these outstanding accounts are between 31-60 days overdue, 29 of these outstanding accounts are between 61-90 days overdue, 16 of these outstanding accounts are between 91-120 days overdue and 34 of these outstanding accounts are over 120 days overdue. Customer accounts more than 120 days overdue encompass the months of January and February 2020.
 - B. Commercial Customers
 - a. Currently Navitas TN has 95 commercial customer accounts, 36 of which are past due by at least 31 days. The amount of past due customers has doubled between April and May 2020.
 - b. Excluding late fees, the aggregate amount owed by commercial customers who are past due by at least 31 days is \$27,328.05.
 - c. Navitas TN commercial customers have accrued \$1,270.77 in late fee charges.



- d. There are 16 of these outstanding accounts are between 31-60 days overdue, 7 of these outstanding accounts are between 61-90 days overdue, 5 of these outstanding accounts are between 91-120 days overdue and 8 of these outstanding accounts are over 120 days overdue. Customer accounts more than 120 days overdue encompass the months of January and February 2020.

C. Industrial Customers

- a. Currently Navitas TN has 17 industrial customer accounts, 13 of which are overdue by at least 31 days.²
 - b. Excluding late fees, the aggregate amount owed by industrial customers who are past due by at least 31 days is \$37,839.33.³
 - c. Navitas TN industrial customers have accrued \$ 3,659.64 in late fee charges.⁴
 - d. There are 3 of these outstanding accounts are between 31-60 days overdue, 3 of these outstanding accounts are between 61-90 days overdue, 3 of these outstanding accounts are between 91-120 days overdue and 4 of these outstanding accounts are over 120 days overdue. Customer accounts more than 120 days overdue encompass the months of January and February 2020.
6. As of June 30, 2020, Navitas TN has not written off any past due accounts to bad debt.⁵
 7. Navitas TN practices a 48-hour notice to customers prior to disconnection of service. Customers concerned about repayment or have questions about disconnection procedure are encouraged to contact our customer service representatives. Additionally, Navitas TN will issue letters to past due customers to address cut-off procedures and repayment options.
 8. As a matter of course Navitas works with customers to formulate payment plans, in particular using a 12-month level-pay plan to assist customers in entering a reasonable

² As of July 9, 2020, Navitas TN has two final customer accounts with past due balances in the amount of about \$9,150.00.

³ This amount does not reflect the period of January and February 2020. Past due balances accrued prior to 120 days from July 9, 2020 have been omitted due to a large overdue balance unrelated to COVID-19.

⁴ This amount does not reflect the period of January and February 2020. Late fees accrued prior to 120 days from July 9, 2020 have been omitted due to a large overdue balance unrelated to COVID-19.

⁵ As noted in section 5, footnote 3, Navitas TN has two final industrial customer accounts with past due balances totaling in the amount of about \$9,150.00. Navitas anticipates that these accounts will be written off to bad debt.



and affordable repayment schedule. As always, Navitas TN is happy to work with our customers individual needs.

If you have any further questions, you may contact Navitas TN by email at bbott@navitasutility.com or by phone at (714) 242-4061.

Sincerely,

Brenda Bott