



Robin L. Morrison, Chairman
Tennessee Public Utility Commission
4th Floor, Andrew Jackson State Office Bldg
502 Deaderick Street
Nashville, Tennessee 37243

20-00047

RE: Navitas TN NG, LLC COVID-19 Response Update Week of April 6, 2020

Per the Commission Order dated March 31, 2020, Navitas TN now files this update for the week of April 6, 2020.

On March 31, 2020 the Commission issued an Order to cease all disconnections for nonpayment. As stated in the week of March 30, 2020 update, Navitas TN will comply with the Commission's Orders regarding disconnections. A review of our records has not shown any customer disconnections since the declaration of public health emergency was issued by Governor Bill Lee on March 12, 2020.

It has come to our attention that one of our field service personnel has had a secondary exposure through a family member who is employed as a healthcare worker. Before our personnel was made aware of the exposure, a tertiary exposure to another field service personnel occurred before subsequent precautionary quarantine measures able to be taken.

One individual each from the Eakly and Ochelata customer service staff shall continue to stay home with pay for a minimum of three days during the work week. Field personnel continue to be broken into teams or individuals and interactions between the various groups is to be minimized and adhere to appropriate social distancing. Corporate office personnel continue to be broken into pairings with half working from home at any one time.

Sincerely,

Brenda Bott



April 6, 2020

Daniel P. Whitaker, III
Assistant Attorney General
P.O. Box 20207
Nashville, TN 37202

RE: Your letter of April 3, 2020

Dear Mr. Whitaker:

Navitas is unsure as to the intent and purpose of your April 3, 2020 Letter. Your Letter discusses Navitas TN's policy set forth in the March 31, 2020 Week of March 30 Filing that, "[u]ntil such time when the Commission issues an Order in contradiction with Navitas TN's current policy, Navitas TN shall continue to follow the emergency operational and response plans set forth in Navitas TN's March 23, 2020 Initial Filing."

The Commission posted the March 31, 2020 Order after Navitas submitted their weekly status report for the week of March 30, 2020. As clearly stated in the week of March 30, 2020 filing, Navitas TN will abide by the Commission Order.

Navitas requests that you do not mischaracterize our legitimate concerns as disregard for Commission authority. The action of disconnecting a non-paying customer is never unilateral, it always involves 1) actions of the customer, 2) rules promulgated by the regulatory body, 3) the implicit agreement of our other paying customers, and 4) discretion of Navitas to work out a payment plan with the subject customer.

Governments, regulatory agencies, companies, and individuals have all mobilized to act quickly, with imperfect information, and often without systemic consideration. Given the dearth of discussion on the record when this extraordinary action was undertaken, Navitas is extremely concerned about this apparent lack of consideration in several areas.

- 1) As exemplified by PG&E at the turn of the century, even the largest utility cannot sustain a mismatch between costs and revenue for very long. There is no information on the record as to the level of losses utilities are expected to sustain under your action. Or even what they should do if large losses come to pass.
- 2) Jurisdictions in Tennessee have not offered or embarked on a plan to suspend various tax collections to offset or alleviate losses to either the customers or the company, nor have you indicated your support of these measures.

- 3) States have inadvertently increased the long-term cost of utilities. The value of a utility is as much in its implicit floor on losses as it is in its regulated rate of return. By making losses unlimited, creditors may dramatically change their calculation as it pertains to downside risk which could lead to substantial increases in the terms and cost of lines of credit and other capital used to operate utilities.
- 4) It is possible that this order is in fact counterproductive. Currently, Navitas has three outstanding cut-offs due to non-payment out of 550 customers:
 - i. A widow who has passed away (old age, non Covid-19 related)
 - ii. A chronically late paying customer
 - iii. A hospital

Thus, late payment due to Novel Coronavirus is not an issue on our systems; but potentially this ruling makes it an issue as all customers realize they don't have to pay and there are no adverse consequences.

It seems a poor use of both of our times that I must now hereby formally ask you if Navitas can disconnect service to the residence of the aforementioned widow who has passed away.

I can be reached at thartline@navitasutility.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'TH Hartline', with a long horizontal line extending to the left.

Thomas Hartline

TH/teh

CC: Brenda Bott