May 6, 2020

Re: Federally Mandated Debt Collection Requirements and Service Disconnection Moratorium

Dear Louisiana Congressional Delegation:

The Louisiana Public Service Commission ("LPSC" or "Commission") held its April Business and Executive Session on April 29, 2020, and unanimously voted to issue this letter. Thus, on behalf of the 5 LPSC Commissioners, I write to not only support National Association of Regulatory Utility Commissioners ("NARUC") President Brandon Presley’s letter sent to the U.S. Senate and House of Representatives on April 20, 2020, but to also express our concerns regarding the same issues. These concerns revolve around the recent congressional proposals to impose federally mandated debt collection requirements and a service disconnection moratorium on utilities regulated by the LPSC.

The LPSC is a constitutionally-created regulatory body charged with the responsibility of regulating Public Utilities and Common Carriers within the state of Louisiana. These Public Utilities provide essential energy, telecommunications, water, wastewater, natural gas, and transportation services for citizens of Louisiana. Part of the Commission’s regulatory authority is to ensure the establishment and maintenance of retail utility services and to ensure these services are provided at rates and conditions fair, reasonable, and nondiscriminatory for all consumers. In fact, Louisiana citizens enjoy some of the lowest rates in the country. Data as of January 2020 shows our ratepayers enjoy natural gas costs approximately $0.30 lower per thousand cubic foot than the national average, and residential electric customers enjoy approximately $0.37 lower per kilowatt-hour.1

While the congressional desire to assist customers by curtailing utility collection and disconnection actions during the health and economic crisis brought about by COVID-19 is commendable, we strongly urge that you not impose prescriptive federal mandates on LSPC-regulated utilities. Be aware that we, as the regulatory agency charged with ensuring establishment and maintenance of retail utility services in the state of Louisiana, have already established polices for all of the Commission-jurisdictional utilities in response to this emergency prohibiting disconnections, and ordering those utilities provide guidance related to payment plans or other billing assistance, such as levelized billing. Respectfully, Congress’ delayed engagement is unnecessary as the problem is being addressed by the Commission in Louisiana. In fact, at the Commission’s April Business and Executive Session, the Commission voted to ratify an Executive Order issued by Commission Executive Secretary Frey prohibiting jurisdictional utilities from disconnecting customers for non-payment. The Commission further adopted a Special Order that maintains this prohibition until Louisiana enters Phase II of President Trump’s “Open American Up Again” guidelines, and is continuing to explore other options to continue to help customers during this pandemic.

We are of the opinion that a federal “one-size-fits-all” approach will severely restrict or eliminate not only the LPSC, but all state commissions’ ability to work with its jurisdictional utilities and their customers on acceptable payment plans. In effect, any proposals that dictate how and whether utilities contact and work with customers to make payment arrangements will complicate state efforts to help guide customers through this crisis and its aftermath into the future. We play a substantial role in interactions between utilities and their customers by regulating retail utility services, including issues around billing, customer payment plans, and service disconnection policies. Thus, the LPSC is in a better position to understand how this pandemic is impacting customers in our state and to promote good working relationships between utilities and customers as they navigate different stages of recovery from this unprecedented situation unique to the citizens of Louisiana.

We urge Congress to reject proposals that would preempt or intrude upon the jurisdiction of the Louisiana Public Service Commission’s to continue regulating utility retail service issues in the best interests of Louisiana customers.

Sincerely,

Mike Francis, Chairman
Louisiana Public Service Commission

cc:  Dr. Craig Greene, Vice Chairman, Louisiana Public Service Commission
     Eric Skrmetta, Commissioner, Louisiana Public Service Commission
     Lambert Boissere, Commissioner, Louisiana Public Service Commission
     Foster Campbell, Commissioner, Louisiana Public Service Commission
     Brandon Frey, Executive Secretary, Louisiana Public Service Commission
     Brandon Presley, President, NARUC and Commissioner, Mississippi Public Service Commission