# LOUISIANA PUBLIC SERVICE COMMISSION

## SPECIAL ORDER NO. 09-2017

**LOUISIANA PUBLIC SERVICE COMMISSION**
**EX PARTE**

***In Re: Discussion and possible vote to modify the Executive Orders dated August 17, 2016 and August 19, 2016, as previously ratified by Commission Special Order 68-2016, dated September 20, 2016***

(Decided at the Commission's Business and Executive Session held January 18, 2017; Terminates Executive Orders dated August 17, 2016 and August 19, 2016 and Special Order 68-2016)

## I. OVERVIEW

The Louisiana Public Service Commission, through the authority designated to the Executive Secretary in the General Order dated November 3, 2005, issued Executive Orders dated August 17, 2016 and August 19, 2016 following the flooding event in south Louisiana. Specifically, Executive Order dated August 17, 2016 prohibits/suspends the disconnection of customers of Commission-jurisdictional public utilities for non-payment of service in parishes placed under a declared state of emergency and/or a federally designated disaster area. Executive Order dated August 19, 2016 prohibits the charging of late fees for non-payment to those same customers in those same parishes. Both Executive Orders were ratified by the Commission at its August 31, 2016 Business and Executive Session. The ratification was memorialized in Special Order 68-2016.

## II. JURISDICTION

The jurisdiction of the Commission is set forth by the Louisiana Constitution, Article IV, Section 21, which provides as follows:

> The Commission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations, and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law.

Consistent with this constitutional grant of rulemaking authority, the Commission adopted the November 3, 2005 General Order, which grants the Commission's Executive Secretary authority, in certain emergency situations, to issues executive orders providing exceptions to Commission regulations. Specifically, the General Order provides the Secretary,

> limited authority to make temporary exceptions to Commission rules and/or orders during a state of emergency in Louisiana declared by the Governor of the State of Louisiana and/or President of the United States and after approval of the requested action by the Chairman of the Commission, or Vice Chairman of the Commission if the Chairman is unavailable.

As further required by the General Order, both Executive Orders were ratified by the Commission; Special Order 68-2016 memorialized that ratification and provides that both Orders were memorialized "subject to any modification that may be required."

## III. TERMINATION OF EXECUTIVE ORDERS DATED AUGUST 17, 2016 AND AUGUST 19, 2016

A. August 17, 2016 Executive Order Termination

Commission Executive Order dated August 17, 2016 is hereby terminated effective as of March 1, 2017. Starting with the April 2017 billing cycle, all Public Utilities subject to the jurisdiction

of the Commission may commence disconnection procedures, according to the protocols outlined in Commission General Orders dated July 12, 1976 and February 20, 1973, for non-payment of: a) outstanding principal balances on bills rendered after March 1, 2017, and b) amounts due under the payment plan established in Section D below by customers in all Parishes under a declared State of Emergency and/or that have been declared a Federal Disaster Area.

B. August 19, 2016 Executive Order Termination

Commission Executive Order dated August 19, 2016 is hereby terminated effective as of March 1, 2017. Starting with the April 2017 billing cycle, all Public Utilities subject to the jurisdiction of the Commission may commence assessing late pay payment fees/charges/penalties, according to the protocols outlined in Commission General Order dated July 12, 1976, on outstanding principal balances on bills rendered after March 1, 2017 to customers not timely paying utility bills in all Parishes under a declared State of Emergency and/or that have been declared a Federal Disaster Area.

C. Notification To Customers and Time Period for Recovery of Past Due Balances

As soon as is reasonably practicable following the Commission's issuance of standard language, all Public Utilities subject to the jurisdiction of the Commission shall notify delinquent customers in Parishes under a declared State of Emergency and/or that have been declared a Federal Disaster Area of the following: 1) the termination of the Executive Orders dated August 17, 2016 and August 19, 2016, 2) the delinquent customer's outstanding principal balance and their obligation to pay their outstanding balance, 3) the existence of a payment plan that allows a delinquent customer to pay outstanding principal balances that were billed between the effective date of the Executive Orders and March 1, 2017 over a period of time according to the payment plan set forth in Section D below, 4) customers must timely pay bills rendered after March 1, 2017 in addition to paying that portion of their outstanding principal balance according to the payment plan in Section D below, and 5) that failure to timely make payments subjects the customer to late fees on outstanding principal balances on bills rendered after March 1, 2017 and disconnection of service and the immediate payment of all past due amounts. The notification language provided to the customers will be in a standard format provided by the Commission to the Public Utilities no later than February 1, 2017.

D. Payment Plan for Recovery of Past Due Balances

Customers with outstanding principal balances on bills rendered prior to March 1, 2017 in Parishes under a declared State of Emergency and/or that have been declared a Federal Disaster Area may pay such outstanding balance on the following minimum acceptable payment schedule:

| Principal Balance Outstanding as of March 1, 2017 | Repayment Term |
|---|---|
| Less than $100 | 6 mos. |
| $101-250 | 12 mos. |
| $251-500 | 15 mos. |
| $501 or greater | 18 mos. |

A Public Utility may provide for an extended payment schedule that exceeds that minimum acceptable outlined above.

E. Utility Recovery of Lost Revenue

All Public Utilities subject to the jurisdiction of the Commission, at their option, shall be entitled to formally petition the Commission to recover revenues lost as a result of the effect of the Commission's Executive Orders dated August 17, 2016 and August 19, 2016, as well as the costs associated with the implementation of this Special Order, including administrative costs and expenses associated with the customer notification set forth in Section D above. Such a request will be subject to Commission approval and review. A Public Utility may determine the method whereby it seeks such recovery (e.g. rate filing, annual review, request for asset) and may request such recovery on a dollar for dollar basis. Requests for establishment of regulatory assets for

this limited purpose may be approved by Staff, subject to ratification by the Commission.

## IV. COMMISSION CONSIDERATION

Commission Special Order No. 09-2017 was presented for consideration by the Commission at the January 18, 2017 Business and Executive Session, with Staff recommending its adoption. On motion of Commissioner Skrmetta, seconded by Chairman Angelle and unanimously adopted, the Commission voted to adopt this Special Order No. 09-2017.

**IT IS THEREFORE ORDERED THAT:**

1. Louisiana Public Service Commission Executive Order dated August 17, 2016 is hereby terminated effective March 1, 2017 as outlined herein.

2. Louisiana Public Service Commission Executive Order dated August 19, 2016 is hereby terminated effective March 1, 2017 as outlined herein.

3. This Special Order No. 09-2017 is hereby adopted by the Commission.

4. This Order shall be effective immediately.

**BY ORDER OF THE COMMISSION**
**BATON ROUGE, LOUISIANA**
January 25, 2017

***/S/ SCOTT A. ANGELLE***
**DISTRICT II**
**CHAIRMAN SCOTT A. ANGELLE**

***S/ FOSTER L. CAMPBELL***
**DISTRICT V**
**COMMISSIONER FOSTER L. CAMPBELL**

***/S/ LAMBERT C. BOISSIERE***
**DISTRICT III**
**COMMISSIONER LAMBERT C. BOISSIERE, III**

***/S/ ERIC F. SKRMETTA***
**DISTRICT I**
**COMMISSIONER ERIC F. SKRMETTA**

***/S/ MIKE FRANCIS***
**DISTRICT IV**
**COMMISSIONER MIKE FRANCIS**

**EVE KAHAO GONZALEZ**
**SECRETARY**