

**..Title**

**CEO Report on Tariff Waivers - Extreme Cold Weather Event February 2021 - J Parsley**

**..Other Info**

**Submitted By: Audri Nelson**

**Department: CEO**

**Financial Impact and Cost/Benefit Considerations: As Discussed in Executive Session**

**..Discussion**

On February 12, 2021, Governor Abbott declared a state of disaster in all 254 Texas counties based on severe winter weather with imminent threat of widespread and severe property damage, injury, and loss of life due to prolonged freezing temperatures, heavy snow, and freezing rain statewide. On February 14, 2021, PEC activated its Emergency Operations Plan.

On February 15, 2021 the Electric Reliability Council of Texas (ERCOT) entered emergency conditions and implemented rotating outages.

On February 21, 2021 the Public Utility Commission of Texas ordered exceptions to its Rules for those electric utilities for which it has jurisdiction as to assessments of late fees on customers for delinquent bills, disconnection of a customer for nonpayment and prohibited these utilities to send a request to disconnect a customer for nonpayment to transmission and distribution utilities, all transmission and distribution utilities are prohibited from disconnecting a customer for nonpayment, including prepaid customers and all retail electric utilities must offer deferred payment plans.

The Cooperative in the past has provided fee waiver assistance for the Spicewood Fires in 2011, the Onion Creek Flood in 2013, the Memorial Day floods in 2015 and the Junction floods in 2018.

**Update to Board – CEO Temporary Waivers to Tariff and Business Rules**

Section 300.5 of the Tariff and Business Rules permits the CEO to waive, certain specific fees including, any **credit or deposit requirement, the establishment fee, same day service fee, and reconnection fee**, for a limited duration to address the circumstances of any natural disasters or declared emergencies and update the Board of any action taken.

- Section 300.7.5 sets forth terms for security deposits for the Cooperative which generally range in the amount of \$75 to \$150 for residential accounts
- Section 500.4 sets forth the amounts of the other charges:
  - Establishment Fee \$75
  - Same Day Service Fee \$250

From February 22, 2021 through March 12, 2021, the CEO, for those residential service members affected by the extreme cold weather event, has waived deposits for residential service, the establishment fee, and same day service fee in the event members may need to relocate for repairs or damage to their current residence or for new applicants into the PEC service territory.

## **Other Actions Undertaken Pursuant to Terms of Tariff and Business Rules**

Other actions taken by the Cooperative include waivers of late payment fees for residential and non-residential service bills from February 14, 2021 through March 12, 2021 and suspension of disconnection from February 14, 2021 through March 12, 2021.

- **Late Payment Processing Fees:** The Cooperative **may** assess a fee to cover the cost of processing late payments pursuant to Section 300.11.4 of the Tariff and Business Rules. Section 500.4 sets forth the amount for Late Payment Processing Fee for residential accounts \$20.00.
- **Disconnection with Notice:** The Cooperative **may** disconnect service after proper notice, as referenced in Section 300.9.20.2.1 of the Tariff and Business Rules, Billing and Payment, for failure to pay a bill for Cooperative services or make a payment arrangement by the date of disconnection and the account is delinquent.