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PUBLIC SERVICE COMMISSION

March 3, 2022

Chair C.T. Wilson
Economic Matters Committee

RE: INFORMATION – HB 781 – Gas and Electric Cos. - Deposit Charges and Termination

Dear Chair Wilson and Committee Members:

House Bill 781 prohibits a utility from requiring deposits from customers who are over the age of 65 and have an income at or below 300% of the federal poverty level. I am providing this letter to highlight two aspects of this legislation that will prove difficult to implement, as currently drafted.

First, HB 781 includes an income threshold for customers to be eligible for its protections. Currently, the Office of Home Energy Programs (OHEP) is the only entity that provides income verification in the utility space. Both the Commission's Consumer Affairs Division and the electric and gas companies rely on OHEP to provide income verification for low income assistance. For customers who either do not apply for energy assistance or those with incomes between 200% and 300% of the federal poverty guidelines, the utilities will need to develop income verification capabilities. However, if the utilities' income verification procedures or eligibility requirements are in dispute, there is no established process to resolve such disputes.

Second, HB 781 conflicts with protections currently provided under state law (*i.e.*, PUA 5-105) which prohibits the imposition of "any cash deposit" on dwelling units for customers over the age of 60. **The bill appears to seek to benefit a population that is already exempt from providing customer deposits.**

Thank you for the opportunity to provide testimony regarding HB 781. Please contact Lisa Smith, Director of Legislative Affairs, at (410) 336-6288, if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jason M. Stanek".

Jason M. Stanek
Chairman