

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES DIVISION

BEFORE THE UTILITIES BOARD

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IN RE:	
MIDAMERICAN ENERGY COMPANY	DOCKET NO. M-0156

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**MIDAMERICAN ENERGY COMPANY'S  
CUSTOMER SUPPORT PLAN**

MidAmerican Energy Company ("MidAmerican" or "Company") files this Customer Support Plan with the Iowa Utilities Board ("Board") and respectfully requests that the Board implement the measures identified in this plan for six months. In response to the COVID-19 pandemic, MidAmerican has taken significant actions to assist and safeguard customers, and to allow them to focus on the health, safety, and welfare of their families and businesses during this unprecedented and rapidly changing situation. MidAmerican's significant actions include halting all disconnections for non-payment, working with customers who are impacted economically by COVID-19 by waiving residential deposits and fees for late payments, and providing additional support through payment plans and other measures. MidAmerican will continue taking significant actions to assist customers by allowing a staggered approach to disconnection and continue to halt disconnections beyond the May 27, 2020 moratorium period.

MidAmerican recognizes that a coordinated approach among all gas, electric, and water utilities in Iowa is necessary to successfully address customer and utility needs during this time. On March 9, 2020, Iowa Governor Kim Reynolds issued a statewide disaster proclamation of public health emergency. In response to the proclamation, the Board issued an order on March 13,

2020, which extended the winter moratorium for eligible electric and natural gas customers. At the Board's request, MidAmerican filed its disconnection and customer interaction policies adopted to respond to the pandemic on March 23, 2020, and has continued to proactively communicate with customers. In its filing, MidAmerican stated that, as circumstances developed with COVID-19, it would update these policies as necessary. On March 27, 2020, the Board issued an emergency order restricting disconnection of service. By proclamation dated April 27, 2020, Governor Reynolds extended the Disaster Emergency to May 27, 2020, thereby extending the disconnection moratorium through that date. Accordingly, MidAmerican extended the disconnection and customer interaction policies it previously filed with the Board on March 23, 2020.

On May 1, 2020, the Board issued an Order Authorizing Regulatory Accounts and Establishing Additional Reporting Instructions recognizing the unique and unanticipated financial impacts of this pandemic. In the Order, the Board noted that as "restrictions on disconnection come to an end, coordination is needed among the Board, utilities, and partner agencies to minimize ramifications while assuring both safe, reliable service to customers and just and reasonable compensation to the utilities." Order at pp. 2-3. MidAmerican agrees with the Board that impacts of the COVID-19 pandemic on our customers, our Company, and all Iowans are expected to continue beyond the anticipated May 27, 2020 expiration of the state public health emergency, and that continued coordination is needed. Therefore, MidAmerican has been diligently working in coordination with the Board and other electric, gas, and water utilities to ensure that safe and reliable service is provided to customers impacted by COVID-19.

MidAmerican files this Customer Support Plan to provide the Board with additional information on MidAmerican's efforts in recent weeks to support our customers and steps it will

be taking in the coming weeks to allow further coordination as businesses and the state begin to reopen when the state public health emergency is lifted, either in totality or in a limited fashion.

### **CUSTOMER SUPPORT PLAN**

MidAmerican's first priority is the ongoing safety and support of its customers. This plan details the efforts MidAmerican is taking to assist customers during the state public health emergency, the actions it will continue taking after the state public health emergency is lifted, and the coordination its' plan allows for as temporary measures end.

#### **1. Customer Education Campaign**

MidAmerican has begun reaching out to customers to discuss past due bills. Customers are encouraged to pay what they can to avoid incurring a debt that is unmanageable. MidAmerican included a residential bill message starting on April 20, 2020, which encouraged customers to seek Low-Income Home Energy Assistance Program (“LIHEAP”) assistance. A LIHEAP message was added to the banner on MidAmerican’s home page of its website on April 24, 2020, which encouraged customers impacted by the virus to seek assistance. A “Learn More” button was added which opens a page with details on how eligible customers can apply. Additionally, on May 4, 2020, MidAmerican began an outbound calling campaign for active residential and commercial customers with past due accounts and encouraged customers to pay what they can through the pandemic so that the amount isn’t overwhelming. On May 7, 2020, an e-mail campaign began for past due residential and commercial customers, which reinforces the same message in the calling campaign, bill message, and information provided on MidAmerican’s website. In addition to its ongoing customer outreach efforts, MidAmerican is creating a customer education plan that will begin on May 27, 2020. The customer education plan will communicate with customers through

targeted messages, both phone calls and e-mails, and general information on MidAmerican's website, newsletter, and social media.

2. Coordinate Resumption of Collection Activities

This emergency has broad-reaching impacts and MidAmerican recognizes the need for coordination by the Board to minimize ramifications. To this end, MidAmerican has remained in communication with Interstate Power and Light Company and other electric, gas, and water utilities to coordinate this timing to enable a staggered approach to resuming collection activities. If approved by the Board, MidAmerican will not resume issuing disconnect notices for non-payment prior to July 1, 2020.

All eligible past due customers will receive a disconnection notice and a personal attempt will be made to contact the customer for payment or to establish a payment agreement prior to disconnection. Disconnection is always the last resort. MidAmerican anticipates that this delay in starting the collection process and the other measures outlined in this Customer Support Plan will have financial consequences for MidAmerican. However, MidAmerican believes that these are the right decisions for its customers as it commits to continuing to provide exceptional customer service during and after this period.

MidAmerican's collection process takes into account many different factors when determining if a customer will receive a notice of disconnection. The factors include length of service, age of any past due amounts, payment habits, and other additional items. Based on these factors, MidAmerican may send a friendly reminder letter with no further action or a notice of disconnection. MidAmerican strives to work with customers to avoid disconnection and considers disconnection as the last resort. These efforts result in disconnection of fewer than 10% of those customers who receive a notice of disconnection.

MidAmerican's normal process creates a natural phased-in approach to resuming collections. Customers are spread across 21 billing groups. The billing and collections cycle for each customer is based on the billing group that a customer is assigned when their premise is added to MidAmerican's Customer Service System. The cycle begins with meter reading, where reads are obtained through automated meter reading and provided to the billing group each workday throughout the month. The collection process starts as each billing group reaches its due date. Therefore, no customer would be disconnected on July 1, and disconnections would not happen all at one time.

Pursuant to Board rule 199 IAC 20.4(15)(f), a utility may disconnect electric service after 24-hour notice (and without the written 12-day notice) for failure of the customer to comply with the terms of a payment agreement. MidAmerican will extend this time period from a 24-hour notice to a 48-hour notice for the duration these procedures are implemented.<sup>1</sup>

Iowa Administrative Code allows utilities to collect a security deposit from new and existing customers. However, MidAmerican does not currently collect deposits from new or slow paying residential customers. For the small subset of customers from whom MidAmerican collects a deposit, MidAmerican will use those deposits for financial assistance to customers when requested. This action is intended to provide customers with additional resources during this state public health emergency. MidAmerican is also evaluating additional opportunities to assist customers impacted financially through additional energy efficiency incentives, state and federal assistance and crisis funds, tax initiatives, and other potential legislative actions.

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<sup>1</sup> MidAmerican does not believe this rule requires a waiver to allow MidAmerican the flexibility to extend from 24 to 48 hours; however, if the Board interprets the rule or other similar rules differently MidAmerican respectfully requests the Board issue a waiver on its own motion.

In summary, MidAmerican's collection activities timeline below shows that no customer would be disconnected prior to July 24, 2020, if notices were issued beginning July 1, 2020.

- May 27, 2020      Begin customer education campaign
- July 1, 2020      Disconnect notice issued
- July 14, 2020      Disconnect notice/payment due date
- July 16, 2020      Personal contact attempted (via phone)
- July 20, 2020      Account Reviewed for possible disconnection
- July 24, 2020      Possible service disconnection

### 3. COVID-19 Health Postponement

In accordance with Board rules 19.4(15)(d)(8) and 20.4(15)(d)(9)<sup>2</sup>, MidAmerican will postpone all disconnections of residential customers if disconnection would present a special danger to the health of any permanent resident of the premises. MidAmerican will waive the requirement for a customer to receive a written verification from a physician or a public health official for customers that inform MidAmerican a permanent resident of the premises is currently ill with COVID-19. If a permanent resident of the premises continues to be infected with COVID-19 after the 30-day postponement, a 30-day extension may be granted by providing MidAmerican with a written verification by a physician or a public health official. Additionally, and consistent with traditional policy, MidAmerican will not disconnect nursing homes, assisted living facilities or hospitals at this time to enhance public safety.

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<sup>2</sup> MidAmerican does not believe this rule requires a waiver to allow MidAmerican the flexibility to not require a customer to provide a doctor's note; however, if the Board interprets this rule or other similar rules differently, MidAmerican respectfully request the Board issue a waiver for the identified rules on its own motion.

#### 4. Payment Agreement

MidAmerican will offer more flexible payment options in order to help customers retire their past due debt. In accordance with Iowa Administrative Code, MidAmerican offers all residential customers the opportunity to enter into a 12-month payment agreement with no down payment. MidAmerican will extend the terms to 18 months if the customer indicates they need a smaller monthly installment amount. If the customer defaults on the first payment agreement but made two full consecutive payments prior to the default, they may enter into a second payment agreement for the same term as the original. MidAmerican will allow a customer who defaulted on a prior payment agreement to enter into a second payment agreement, even if they have not fulfilled the requirements of two consecutive payments, as long as the customer makes a down payment of one-third of the past due amount. MidAmerican will also allow a customer that defaults on any payment agreement to reinstate the agreement by making up the missed payments.

Commercial customers may also enter into a payment agreement for up to three months with no down payment, up to six months with a 10% down payment, and up to nine months with a 20% down payment.

MidAmerican also agrees to waive late fee payments and disconnection fees to the extent those costs can be tracked and included as costs to be recovered as part of the plan that must be filed pursuant to the Board's May 1, 2020 Order Authorizing Regulatory Accounts and Establishing Additional Reporting Instructions.

WHEREFORE, MidAmerican respectfully requests the Board implement the above identified Customer Support Plan for a duration of six months or until the Board deems reasonable.

Dated: May 14, 2020

Respectfully Submitted,

MIDAMERICAN ENERGY COMPANY

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