

Vermont COVID-19 Arrearage Assistance Program

Frequently Asked Questions

Utilities

What is the Vermont COVID-19 Arrearage Assistance Program (VCAAP)?

The program was established by the Vermont General Assembly through Section 20 of House Bill 966 that was later signed into law on July 2, 2020 as Act 137. \$8 million was appropriated to provide utility ratepayer assistance for accumulating arrearages that could be linked to economic hardships precipitated by the COVID-19 Pandemic. Funding comes from the Federal CARES Act.

Who may apply for a grant award?

Any utility ratepayer served by a Vermont electric, natural gas, fixed-line telephone service provider, or a private water company may apply. Both residential and non-residential (but not governmental entities) applicants may apply.

How much can a utility customer expect to receive as a grant award through the program?

Customers can receive a grant for eligible outstanding arrearages that are more than 60 days overdue, up to the limits listed below.

	<i>Residential</i>	<i>Non-Residential</i>
Electric	\$440	\$1,120
Natural Gas	\$320	\$900
Telephone	\$150	\$1,120
Private Water	\$150	\$300

For example, a residential customer with \$600 in overdue arrears in the electricity sector, with \$500 of the arrearage amount over 60 days, would receive the maximum benefit of the eligible amount -- \$440.

Applicants are eligible for and can apply for utility arrearage assistance on a single application for electricity, natural gas, private water, and landline telecommunications services.

Who is eligible to apply for VCAAP grant awards?

Both residential utility ratepayers, and non-residential (businesses and non-profits) may apply.

Government entities are not eligible.

Are second homes and camps eligible for grant awards under the program?

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Only arrearages for primary residences qualify. Residential customers must attest that the grant award that they are seeking is only for arrearage relief related to their primary residence.

What certifications will be required of residential applicants?

Applicants must certify and attest to a COVID-19–related economic hardship. Hardships include unemployment, layoff, reduced hours, health (had COVID or cared for someone with COVID) and can't work because no childcare is available or school was closed.

Other detailed certifications or attestations apply.

What certifications are required of non-residential applicants?

Applicants must attest to a loss of business revenues equal for 50% in a single month since the beginning of March 2020.

Other detailed certifications or attestations apply.

Can businesses with multiple utility service addresses apply for separate locations?

Yes. Each utility service location is eligible for a distinct grant award provided that it is a separate service location and utility account number.

What are the options for people who don't have access to the Internet?

Vermont Community Action Agencies can assist individuals that do not have access to the Internet.

How long will the program run?

Applications will be accepted through November 30, 2020, or when available funds have been exhausted through the awards program.

Can I apply more than once?

You may apply once for each utility type or apply separately for each utility type.

Will everybody who is eligible get a grant?

Funds are limited and grants will be awarded as eligibility is determined and funds are available.

Will the grant pay off all of my past due bill?

Grant awards are limited to utility service with bills that are more than 60 days late. Awards are also capped at the limits provided above.

Do I have to file my taxes for 2019 before I can apply?

No, it is not required for residential applicants.

Yes, it is required for non-residential applicants.

Do I have to be low income to apply?

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No, there is no income eligibility requirement. See eligibility specifics for non-residential applicants.

Is there any documentation that I have to submit with my application?

Yes, if you are applying for a grant for telephone wired/land line services, you will need to upload a copy of your most recent bill.

If you are not applying for telephone wired/land line services, you will not need to upload any bills.

Can the funding be used towards a customer's final bill? For example, if a customer recently left the system and accumulated arrears after March 1, 2020, are they eligible?

Customers must be active and with an active arrearage (from service after March 1, 2020). Funds are meant to keep customers from being disconnected.

If income has not changed can they access funds?

There must be an economic hardship from loss of household income. Customers will be asked to attest to the economic hardship as described on the application.

Will the Department's Consumer Affairs Division provide language to help utilities get the word out?

Yes. Look for more info in the coming days. Some language is available below.

What is meant by a "qualified arrearage" - what would constitute a qualified arrearage?

A qualified arrearage constitutes arrearages related to service provided after March 1, 2020.

Are taxes and surcharges considered qualifying reimbursement?

Any charges on the bill that are linked to eligible utility services in arrears will qualify. This includes taxes and fees that show up on the bill, but ultimately must be paid by the utility to the state and federal government. This includes energy efficiency charges, gross receipts taxes, and relevant sales taxes that are linked to utility services deemed eligible for a grant award through the VCAAP program.

Are there specific guidelines on how/when customers will need to be notified?

The program begins on August 15, 2020 with a soft launch. Consumers can be notified any time after the 15th. The Department recommends bill stuffers and web site notifications on or after the press release and public announcement expected on August 18. . The Department recommends the following language for notice:

Vermont COVID-19 Arrearage Assistance Program (VCAAP)

The VCAAP provides eligible Vermont utility customers with small grants to assist with unpaid and past due balances that put them at risk for disconnection of utility

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services. The past due balance must be more than 60 days old and only for expenses incurred for service provided after March 1, 2020 for electricity, fixed-line telephone services, natural gas service, and private regulated water services. Customers can apply online at <https://publicservice.vermont.gov/>

What is the "formula" for assistance?

Customers with accumulated arrearages greater than 60 days in arrears qualify for a grant award up to the 60+ days of arrearage, for service provided after March 1, 2020. Customers can receive a grant for eligible outstanding arrearages that are more than 60 days overdue, up to the limits listed below.

The maximum grant awards per ratepayer account are as follows:

	Residential	Non-Residential
Electric	\$440	\$1,120
Natural Gas	\$320	\$900
Telephone	\$150	\$1,120
Private		
Water	\$150	\$300

Limited funding constrains the ability to make grants. In order to ensure diversity in grant awards, limitations have been placed on the maximum amounts for any one utility company, customer, or utility type. Limits will be re-examined periodically to make any needed "course corrections" based upon need demonstrated by actual applications and use of funds.

Will eligibility be based on arrearages as of June 30th or a rolling time window?

No. It will be based on arrearages as of the application date.

What are the maximum grant awards that qualifying and eligible customers could receive?

Residential customers maximum of \$440, commercial maximum of \$1120.

Will this only be for active customer accounts? What about accounts that have been recently closed?

Grant awards are only available for active customers in arrears meeting the criteria listed above.

Can a utility provider opt out of participating? In other words, just absorb the losses?

The Department of Public Service encourages participation from all the utilities and service providers for their customers' benefit. The program and its benefits are focused on customers, not the utility. For utilities that do not participate, but have customers that are eligible and apply for grants, it will require extra effort on the part of the Department to qualify customers and will present challenges to both program administrators and to customers that want to participate.

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Ultimately, utility cooperation in verifying eligible arrears is necessary for the program to function well in service of utility customers.

Will there be any way to leverage the online application portal to get folks enrolled in a low income discount program (for those utilities that have them) to the extent they aren't already?

Utilities will have access to information about their customers and should be able to request or generate reports from the system.

How will utilities know if a customer is approved for assistance and for how much, so they do not continue collections activities after 9/30 for that customer

The utility will certify the arrearage during review of applications. Once the consumer's eligible amount is determined by the utility, payment will be made (as long as funding limits are not exceeded). With utility cooperation we believe it can be a quick turnaround.

Will customers be able to apply multiple times through 12/20?

As currently structured, customers will apply one time for funding appropriated through Act 137. Customer eligibility is on a first come, first served basis.

If the arrearages accumulated for landline telephone are bundled with other services, is the expectation that the customer will know the breakdown of their arrearage when filling out the application?

No. The customer is not expected to know. This task will be part of the utility review. The utility should report the arrearage amount based on the revenue from the bundled package that the utility would attribute to voice service. Voice service includes all charges attributable to the provision of voice service, including government fees (such as USF), subscriber line charge, and access charges that the provider charges as part of the provision of voice service.

Any other way for customers to apply other than online?

Yes, call the local Community Action Agency and work with them.

Can the PSD provide a script for utilities to add to customers' bills as bill messages so everyone's messaging is consistent?

Yes. For a short message, we recommend that you include something like the following:

“Eligible Vermont utility customers can get help with unpaid past due balances that put you at risk for disconnection. The past due balance must be more than 60 days old for service provided after March 1, 2020. Apply for help now at <https://publicservice.vermont.gov/>”

Will all of the customer vetting regarding their COVID-19 economic hardship and qualification for this program be completed before the utilities are asked to review the customer's account?

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Utilities will need to verify active accounts and the eligible amount of arrears (i.e., for service received on or after March 1 and in arrears for more than 60 days). Customers will need to attest to qualifying hardships.

If a customer is suffering from disabilities, or economic hardship unrelated to the COVID-19 pandemic, will they be eligible for grant awards under VCAAP?

No. VCAAP is only available to those that suffer from economic hardships precipitated by the COVID-19 pandemic.

What are the qualifying economic hardships necessary to receive a grant award under the VCAAP program?

Loss of job or wages or income, lay off or furlough.

Loss of income because of illness of self or household member related to COVID-19.

Loss of income related to the need to care for a child who has had their school or childcare center closed.

To clarify, regarding cap per customer, will a natural gas or private water customer be able to obtain assistance if they also got electric assistance?

Yes. Customers can receive assistance for more than one utility service. Electricity, natural gas, private water, and landline telecommunications services all qualify.

If a customer had an arrearage prior to March 1st, and also has a qualifying arrearage after March that receives a grant, is the expectation that the utility would apply the grant funds to the oldest past due (i.e., the grant relates to the March –June period but the funds are applied to December because it's the latest)?

Customers are qualified and awarded grants based on accumulated arrearages for service delivered after March 1. We expect utilities to credit customer accounts for those awards in a manner that minimizes the risk of disconnection consistent with Commission rules and the spirit of Act 137.

If a ratepayer has multiple accounts will they be eligible for all accounts or just one? An example we have:

Mr. Smith – House account

Mr. Smith- Barn – Dairy Farm account

Mr. Smith – Housing for farm worker account

Mr. Smith – Housing for farm worker account

Mr. Smith – Housing for farm worker account

Will he be able to apply for assistance for all his accounts?

In this case, “Mr. Smith” may apply for only one residential service address for his primary residence. The details matter and do not come through clearly in the question, but if the farm workers are associated with different service locations in Mr. Smith’s name as separate

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residential accounts, then they would not qualify. If Mr. Smith relies on one meter for housing farm workers under a residential account, then he may apply for and receive grant assistance up to the residential cap of \$440. If, on the other hand, the farm workers are associated with business accounts, then they will be associated with a distinct set of rules. Mr. Smith can apply for multiple separate and distinct services if associated with a business account and are connected to different accounts and service locations.

What information will the utility receive to connect the "aggregate" payment to the individual approved grants?

The utility will identify the customer by name and account. The utility will identify eligible arrearages. Utilities will be provided with information about available funds. Customer awards are capped by utility sector as described above.

How will utilities know when the remaining funds are getting low?

The utility portal will alert utilities when they reach their cap or available funds run out.

Could you discuss more about how commercial customers may receive a grant?

Commercial and non-residential customers must certify that they have suffered an economic hardship. The only qualifying economic hardship is associated with a loss in monthly revenue equal to 50% after February of 2020. Other attestations apply.

Is there going to be a state "hotline" to answer customer questions on this and other programs you're rolling out now e.g, LECAP) besides the general CAPI line?

Call the Department of Public Service CAPI line.

How will the \$8M be allocated among utility industry sector and among the customers of the respective utilities within each sector?

At this stage, approximately \$700,000 is set aside for the costs of administering the program. With time and the unfolding of the program, we hope to reduce this set aside and increase the amount available for benefits.

The Department has allocated the residual available funds to the utility sectors using a 90/10 percentage split based on historic arrears. 90% is based on the year-to-year increase in arrearages from 2019 to 2020 (as a proportion relative to other industries and then companies within the sector). 10% is based on the baseline arrears from 2019.

Participating companies will see their initial assigned budgets on the portal, but the formula that applies to the sector budgets applies at the company and customer grouping level as well. Budget minimums were also assigned to identified providers with customers.

The breakdown by industry is as follows:

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	Initial Budgets	Percent
Electric	\$ 6,195,000	85%
Natural Gas	\$ 320,000	4%
Private Water	\$ 150,000	2%
Telephone	\$ 635,000	9%
Total	\$ 7,300,000	100%

What is the PSD's timetable for providing additional information and guidance regarding:

- a. \$ amount caps for residential and commercial electric customers?

This information will be provided to each utility through their utility portal. We expect that funds that go unused will be reallocated after approximately 60 days based on unfolding demand for assistance by other companies or sectors.

- b. Whether and how customers can apply more than once?

As stated earlier, the application for the Act 137 funds requires only one application. No further funds are available for the applicant once limits have been reached.

- c. Language and clear assurance on economic vs COVID hardship?

That is described in the application and above.

- d. Whether the utility should apply the grant to the oldest arrearage or only to qualifying arrearages (those >60 days past-due for services delivered after March 1)

The Department places no restrictions on how the company applies the arrearages provided that they apply to arrearages that are over 60 days and for utility service delivered past March 1, 2020.

How and when does the PSD plan to offer training on the Salesforce platform to utility reps who will be reviewing customer applications?

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Training will be available once the platform for reviewing applications is available, likely after August 26th.

Is the plan only going to include arrearages over 60 days?

At this juncture, we only plan to include arrearages over 60 days. 60 days is linked to the period at which customers are exposed to disconnection (consistent with the intent of Act 137).

How does the PSD plan to handle disputes? The ILEC communications bills which include BLES (basic, regulated charges) and non-basic unregulated charges are inevitably going to cause confusion for customers, no matter how good our collective communication is. Some customers will inevitably dispute how much was approved or why they were not approved.

The Department staff (CAPI) will be available to assist with disputes. In the first instance we will rely on the utilities to provide good information and be on hand to support eligibility determinations.

Is there an expected turnaround time for reviewing these requests?

We recommend that utilities try to turn around the review as quickly as possible to help ensure that there are available funds to cover their customer applications. We are asking in any event to complete their review within 10 business days of each application.

How will we know when a customer's application has been approved?

Email notice will be sent when customers receive the award in an award letter (via email).

How will payments from the PSD be sent and how long from the time an application has been approved before payment is issued?

Payment will generally be electronic. A request has been sent to all the utilities to link them to the ACH system for electronic payments. Those that responded will receive an electronic payment. Otherwise, the utilities will receive a physical check. Once utility participation is fully integrated, we estimate no more than 2.5 weeks from the successful application to the award, but this depends on the utility review. We are asking utilities to complete their review as soon as possible but no more than 10 business days .

Does the PSD plan to pay the whole amount of the qualifying arrearage or just a percentage and if so, do you know the percentage?

Yes, the whole amount, but limited by the customer cap, and arrearages that qualify That is,60+ day arrears. Caps were listed earlier and bound the customer award.

We noticed there was not a question on the application about how much the customer's arrearage is, or how much funding they are looking for. We had anticipated that we would be confirming what the customer provided for details, but it seems perhaps you will be looking solely to the provider for account balance information?

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Where we can, we are hoping to rely on the utility providers to establish the eligible amounts. We think consumers would likely err in the requests and sow confusion and frustration. Recall that the formula for award is 100% of 60+ arrearages up to the customer caps that are differentiated by sector. We believe that the formula for determining eligible arrears should be straightforward for most utility reviewers but will be challenging for customers.

The exception may be in the telecommunications sector. So, we may need to pivot toward additional information, like the most recent bill, and further independent verification. We are working on that separately.

The confirmation email you receive indicates the process will take approximately 4 weeks, is that about how long you feel it will take utilities to receive a check/s? Just thinking about the collections process should the moratorium expire as currently scheduled at the end of September.

At this point we expect that utility assistance will greatly help to speed the process. We are seeking all reviews from utilities to be completed no later than 10 business days after receipt of a completed application. With that timetable in mind, we think we can turn payment around within 13 business days (about 2.5 weeks) from the completed application, and ideally much faster.