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For Immediate Release

\$83 Million on Its Way to Maryland Utilities to Cover Past-Due Bills *Some struggling customers may have debt reduced or eliminated*

(BALTIMORE, MD-June 15, 2021) – The Maryland Public Service Commission has completed the process of providing grants to Maryland electric and gas utilities with the goal of reducing or eliminating residential customer bill arrearages, particularly those incurred during the COVID-19 pandemic. The Commission today allocated \$83 million in state funding to utilities as required by the RELIEF (Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families) Act passed by the Maryland General Assembly earlier this year, and signed into law by Governor Larry Hogan.

Maryland utilities reported that thousands of residential customers fell behind on their bills for electric and gas service since Governor Hogan declared a COVID-19 state of emergency in March of 2020. Under today's Commission order, the additional funding will help alleviate a portion of the \$276 million owed by utility customers, many of whom faced significant hardship during the pandemic with loss of employment or reduced hours and income.

"Today's disbursement of millions of dollars in aid will help tens of thousands of needy Maryland families get out from under a mountain of utility-related debt," said Jason M. Stanek, Chairman of the Public Service Commission. "Using the RELIEF Act funding to pay down or eliminate past due balances will go a long way towards ensuring that no Marylander loses essential utility services as we emerge from this pandemic."

Only residential customer accounts with arrearages that accumulated before June 30, 2021 are eligible to have the funding applied. The RELIEF Act directed that the grants be applied to amounts owed by customers in the following order:

- Category 1: Customers who have received energy assistance from the state's Office of Home Energy Programs within the last four years (OHEP is a division of the Maryland Department of Human Services);
- Category 2: Customers who have special medical needs certificates on file with their utility; and,
- Category 3: Customers with the oldest arrearages.

It is expected that the \$83 million in assistance will eliminate customer debt in categories 1 and 2 for all utilities; for category 3, each utility will be allocated funds based on its statewide share of the total arrearages and will determine how much a customer's account will be credited. Funds will appear as bill credits in the coming months.

The utilities are directed to communicate with customers regarding the application of the RELIEF Act funds to their past-due bills. The messaging should also inform customers of their options for energy assistance, including OHEP and utility payment plans, and should also identify organizations—including the Maryland Office of People's Counsel and the Maryland Fuel Fund—that can help customers seek assistance.

By October 1, 2021, the utilities must report to the Commission how the RELIEF Act funding was distributed, including a list of customer accounts and the dollar amount applied to each. The utilities will also report if any of the grant money was unspent, and if so, why.

In February 2021, the Commission imposed a moratorium until June 30, 2021, prohibiting utilities from terminating service only to customers in categories 1 and 2 due to non-payment. After the later of November 1, 2021 or 30 days after the date when all RELIEF Act funds granted to a utility have been applied in full to customer arrearages, the moratorium will be lifted for these customers and that utility can resume disconnection activities in accordance with Commission regulations and orders.

Additionally, protections for all utility customers remain in effect per the Commission's August 31, 2020 ruling. They include:

- Termination notices must be sent 45 days in advance (pre-pandemic this was 14 days);
- Residential customers in arrears would have 45 days from receipt of a notice to work out a payment plan with their utility or to apply for energy assistance programs. **Customers who take either action would not have service disconnected.**
- Utilities must offer a minimum payment plan of 12 months (or 24 months for those customers receiving energy assistance from the state's Office of Home Energy Programs).
- Utilities cannot require a down payment or deposit as a condition of beginning a payment plan for any residential customer, including both current and new customers.

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About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities and suppliers, telephone companies (land lines), certain water and sewer companies, passenger motor vehicle carriers for hire (sedans, limousines, buses, Uber, Lyft), taxicab companies (in Baltimore City and County, Charles County, Cumberland and Hagerstown) and bay pilot rates.

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