From: <u>Jamie Wimberly</u>
To: <u>EIA112</u>

Cc: Ben Nathan; Patrick Woodworth

Subject: [EXTERNAL] Disconnect Survey Comments -- Jamie Wimberly, SVP, E Source

Date: Monday, August 19, 2024 11:00:16 AM

Attachments: logo.png

PEWG Remote Connect Disconnect Webcast Jun07-2019.pdf
PEWG Winter Workshop Disconnect ODwyer Final Dec 3.pdf

Importance: High

August 19th, 2024

TO: Energy Information Administration (EIA)

BY: Jamie Wimberly, SVP, E Source

RE: Public Comments on Proposed Utility Disconnection Survey

E Source is a leading research and advisory firm in the utility sector with hundreds of utility clients. We currently work on various aspects of utility service that involve disconnection data. We are concerned that if the survey findings from the proposed disconnection survey are not framed properly that the findings of any disconnection survey may be misinterpreted. This may result in policy outcomes and/ or regulations driving even more customer debt and challenges managing utility bills. A case in point would be a voluntary prepay energy program.

Here is the rub. Prepay energy definitely has more disconnects than post pay. So what the EIA is proposing could be a problem if not framed in the right way. Disconnects do NOT necessarily mean deprivation. In fact, disconnection is simply a mechanical act, much like turning the lights on and off at your home. Many consumer advocates are conflating a customer's ability to pay their utility bill with the act of disconnecting utility service.

Here are the key talking points:

- Disconnections happen all the time for a lot of reasons, and not just because of the inability to pay.
- An analysis of the aggregate number of disconnects is misleading. The three key factors to analyze are: reason for disconnect (non-payment is number one but there a lot of other reasons including moving, etc), duration of disconnect (vast majority of disconnects are reconnected with minutes, meaning probably not a payment/ income issue), and frequency of disconnects (less than 5 percent of customers are disconnected more than 2 times in a year). I believe I have more date on these factors than what is attached so I am going to try to dig that up.
- Prepay does result in higher disconnect numbers BUT also significantly higher customer satisfaction.
- We have clear evidence that a small but significant number of customers use prepay to self-disconnect.
- Disconnects are being used as a proxy for the real problem around affordability and keeping customers out of debt.

My team and I have done a lot of analysis of remote connect disconnect (RCD) policies and practices. I have provided an overview of our analysis as attachments.

If the EIA decides to move forward with implementing a utility disconnection survey, we highly recommend that the survey includes the following datapoints:

- Reason for disconnect
- Duration of disconnect (e.g., restoration time)
- Frequency of disconnects per account over a fixed time period (e.g., a year)

I would be glad to answer any questions you may have.

Jamie Wimberly

SVP, Utility Customer Strategy :: Georgia | E Source Cell 202-255-2860 jamie_wimberly@esource.com | www.esource.com



From: <u>EIA112</u>
To: <u>Jamie Wimberly</u>

Subject: RE: Disconnect Survey Comments -- Jamie Wimberly, SVP, E Source

Date: Tuesday, September 10, 2024 10:45:00 AM

Attachments: <u>image001.png</u>

Jamie,

Thank you for submitting a comment on the Residential Utility Disconnections Survey.

Congress tasked the U.S. Energy Information Administration with determining if collecting disconnection data from natural gas and electric utilities is feasible. We will invite utilities of various ownership types (investor-owned, municipal, cooperative, etc.) to complete the survey. We performed extensive pretesting to see which data we could reasonably collect and at level of detail. We will only collect disconnection data for nonpayment. We will not collect any other disconnection data.

During pretesting, we did not ask questions about duration and frequency of disconnections. If approved, this survey will be valid for the usual three-year period, at which time, we will resubmit the survey to the Office of Management and Budget (OMB) for another approval. For future cycles of this survey, we can consider adding more questions to the extent that:

- Pretesting supports them
- They are of interest to the public
- They are within scope and achievable given resource constraints and respondent burden

Assuming OMB approves the survey, we will start collecting the disconnection data for 2024 in early 2025.

Marc Harnish

From: Jamie Wimberly <jamie_wimberly@esource.com>

Sent: Monday, August 19, 2024 10:57 AM

To: EIA112 < EIA112@eia.gov>

<patrick_woodworth@esource.com>

Subject: [EXTERNAL] Disconnect Survey Comments -- Jamie Wimberly, SVP, E Source

Importance: High

August 19th, 2024

TO: Energy Information Administration (EIA)

BY: Jamie Wimberly, SVP, E Source

RE: Public Comments on Proposed Utility Disconnection Survey

E Source is a leading research and advisory firm in the utility sector with hundreds of utility clients. We currently work on various aspects of utility service that involve disconnection

data. We are concerned that if the survey findings from the proposed disconnection survey are not framed properly that the findings of any disconnection survey may be misinterpreted. This may result in policy outcomes and/ or regulations driving even more customer debt and challenges managing utility bills. A case in point would be a voluntary prepay energy program.

Here is the rub. Prepay energy definitely has more disconnects than post pay. So what the EIA is proposing could be a problem if not framed in the right way. Disconnects do NOT necessarily mean deprivation. In fact, disconnection is simply a mechanical act, much like turning the lights on and off at your home. Many consumer advocates are conflating a customer's ability to pay their utility bill with the act of disconnecting utility service.

Here are the key talking points:

- Disconnections happen all the time for a lot of reasons, and not just because of the inability to pay.
- An analysis of the aggregate number of disconnects is misleading. The three key factors to analyze are: reason for disconnect (non-payment is number one but there a lot of other reasons including moving, etc), duration of disconnect (vast majority of disconnects are reconnected with minutes, meaning probably not a payment/ income issue), and frequency of disconnects (less than 5 percent of customers are disconnected more than 2 times in a year). I believe I have more date on these factors than what is attached so I am going to try to dig that up.
- Prepay does result in higher disconnect numbers BUT also significantly higher customer satisfaction.
- We have clear evidence that a small but significant number of customers use prepay to self-disconnect.
- Disconnects are being used as a proxy for the real problem around affordability and keeping customers out of debt.

My team and I have done a lot of analysis of remote connect disconnect (RCD) policies and practices. I have provided an overview of our analysis as attachments.

If the EIA decides to move forward with implementing a utility disconnection survey, we highly recommend that the survey includes the following datapoints:

- Reason for disconnect
- Duration of disconnect (e.g., restoration time)
- Frequency of disconnects per account over a fixed time period (e.g., a year)

I would be glad to answer any questions you may have.

Jamie Wimberly

SVP, Utility Customer Strategy :: Georgia | E Source Cell 202-255-2860 jamie_wimberly@esource.com | www.esource.com



This message does not originate from a known Department of Energy email system
Use caution if this message contains attachments, links or requests for information
