



# Regarding the PUC's Response to COVID-19

## Water and Sewer Utilities FAQ

### **What is the PUC doing to help Texans experiencing economic hardship due to COVID-19?**

On March 26th, the Public Utility Commission of Texas responded to the governor's declaration of an emergency with a plan to mitigate the impact of COVID-19 on Texas water and sewer utility customers who are experiencing genuine economic hardship as a result of the pandemic.

### **Who are these actions intended to help?**

These efforts are intended to help those Texans in genuine financial distress as a result of COVID-19, when their utility bills will literally break their family budget. Because the cost of these temporary measures will ultimately be borne by ratepayers (including customers with suspended disconnections), they should be reserved for those in dire circumstances.

### **How are Water and Sewer Utility Customers Affected?**

The Commission has ordered PUC-regulated water and sewer utilities across the state to immediately suspend disconnections for non-payment. On May 14, 2020, the Commission extended the timeframe to June 13, 2020, for which Investor Owned Utilities (IOUs) cannot disconnect a customer for nonpayment due to the COVID19 pandemic. This order can be found at: [http://interchange.puc.texas.gov/Documents/50664\\_185\\_1065902.PDF](http://interchange.puc.texas.gov/Documents/50664_185_1065902.PDF)

### **Does the disconnection for non-payment directive apply to communities, municipalities, districts, and non-profit Water Supply Corporations (WSC) that provide retail water & sewer utility service?**

No. The Commission's order only applies to IOUs residing outside the corporate limits of a municipality because they have original jurisdiction over their retail water and sewer rates. The governing body or elected board of a county, municipality, district and non-profit water supply and sewer service corporation (WSC) is responsible for making its own business decisions regarding the disconnection of service for nonpayment during the COVID-19 crisis.

### **What should counties, municipalities, districts, and non-profit WSCs do to respond to customers regarding water and sewer utility service in response to the COVID-19 crisis?**

We encourage these entities to review the Commission's order on the direction given to IOUs when making their own decision regarding disconnections for nonpayment during the COVID-19 crisis. Many of these entities have decided to not disconnect customers for non-payment during this time; however, we have not heard from all of them. If you are one of their customers, you are encouraged to contact them with your questions and concerns.

### **What should I do if I am a customer and cannot pay my water bill due to the COVID-19 crisis?**

You will continue to receive a bill and accrue a balance from your retail public water and sewer utility during the COVID-19 crisis. If you are unable to pay your bill in full during this timeframe, immediately contact your water and sewer utility provider and ask for a deferred payment plan for either all or the portion of the bill you are not able to pay.



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### **Can I be charged a late fee for not being able to pay some or all of my bill during this crisis?**

Customers that receive retail water or sewer service from an IOU cannot be charged a late fee for inability to pay all or a portion of their bill during this crisis.

### **How water and Sewer Utilities recover the costs of these suspensions post-crisis?**

In their orders, the Commission authorized water and sewer utilities to record as a regulatory asset expenses resulting from effects of COVID-19, including but not limited to non-payment of customer bills as a result of the Commission's order to not disconnect customers for non-payment during the COVID-19 pandemic. The Commission will consider, on a case-by-case basis, the appropriate adjustment to a utility's rates to recover the approved amount of regulatory assets. The order detailing the regulatory recovery can be found at:

[https://interchange.puc.texas.gov/Documents/50664\\_108\\_1057674.PDF](https://interchange.puc.texas.gov/Documents/50664_108_1057674.PDF)

### **What if my Investor Owned Utility (IOU) is struggling to pay bills during the COVID-19 crisis?**

If you represent an IOU having a difficult time paying your own electric bill, first contact your electric provider to request a payment plan then contact the PUC's Department of Utility Outreach (DUO) at [DUO@puc.texas.gov](mailto:DUO@puc.texas.gov). We are standing by to discuss your rates and the potential need for a rate change. (*Requirements for requesting a rate and tariff change differ according to the size of your utility.*)

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1701 N. Congress Avenue, PO Box 13326, Austin, TX 78711-3326

Water Utilities can reach our Department of Utility Outreach at [DUO@puc.texas.gov](mailto:DUO@puc.texas.gov) or 512-936-7405.

For more information, including our ongoing response to the COVID-19 crisis, visit [www.PUC.Texas.gov](http://www.PUC.Texas.gov)