



Vermont Electric Cooperative, Inc.

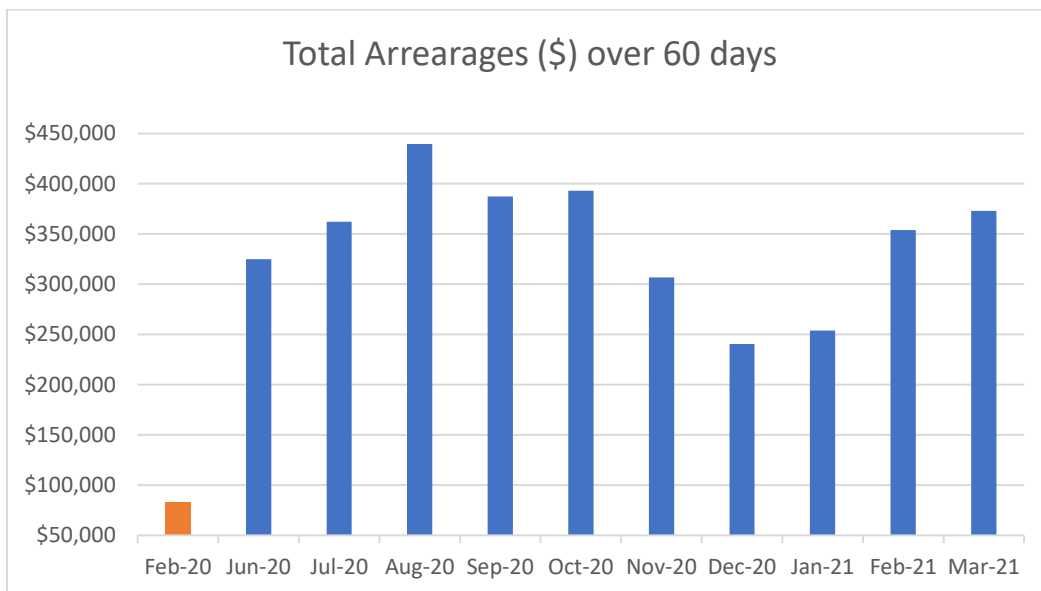
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April 2, 2021

Chair Bray and Members of Senate Natural Resources and Energy
Chair Briglin and Members of House Natural Resources and Technology
Chair Hooper and Members of House Appropriations
Chair Kitchel and Members of Senate Appropriations
Chair Cummings and Members of Senate Finance
Chair Sirotkin and Members of Senate Economic Development, Housing & General Affairs
Chair Marcotte and Members of House Commerce and Economic Development

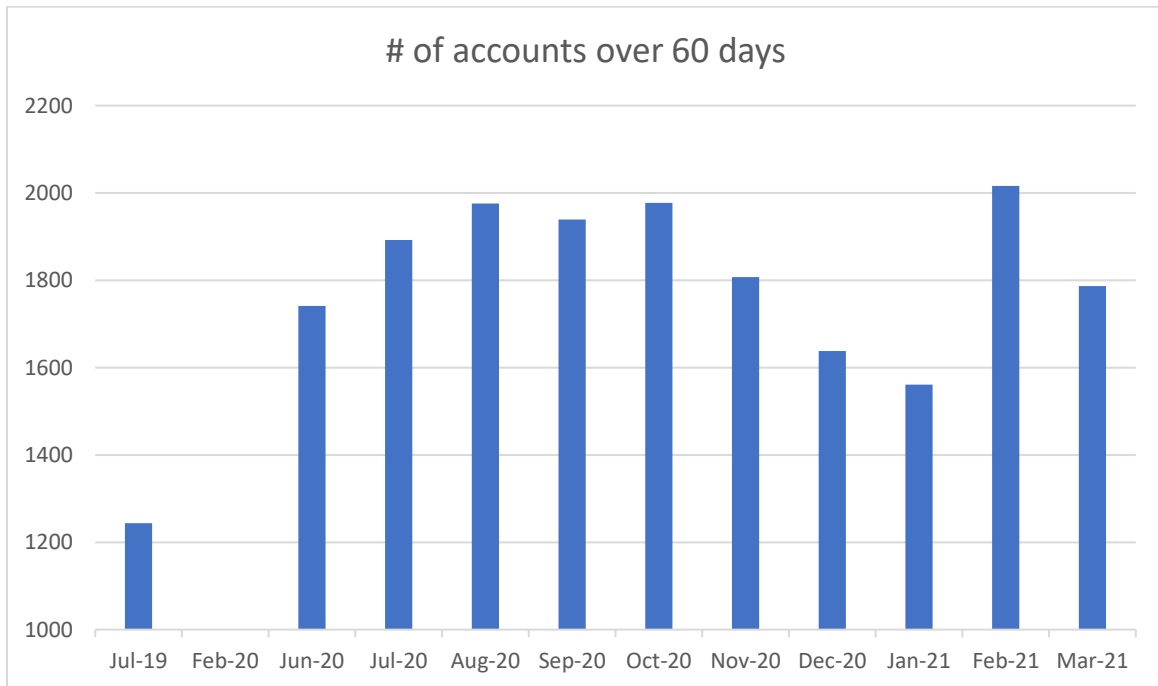
VEC is writing with an update to our letter of February 2, 2021 letter to ask for your assistance in addressing the continued and increasing electric utility arrearage challenge. As you are aware, the COVID crisis has caused many VEC members to experience financial hardship, some for the first time. Arrearages have continued to increase at an alarming rate and the financial fall out for VEC members is considerable. VEC has continued to work collaboratively with members to extend support and flexibility during this challenging time. Even with that assistance, and with the generous past support of the Vermont Covid-19 Arrearage Assistance Program (VCAAP), almost 1,800 VEC accounts are currently more than 60 days behind on their utility bill. We are increasingly concerned as to how these members will manage as we transition out of this crisis and the impact on all VEC members.

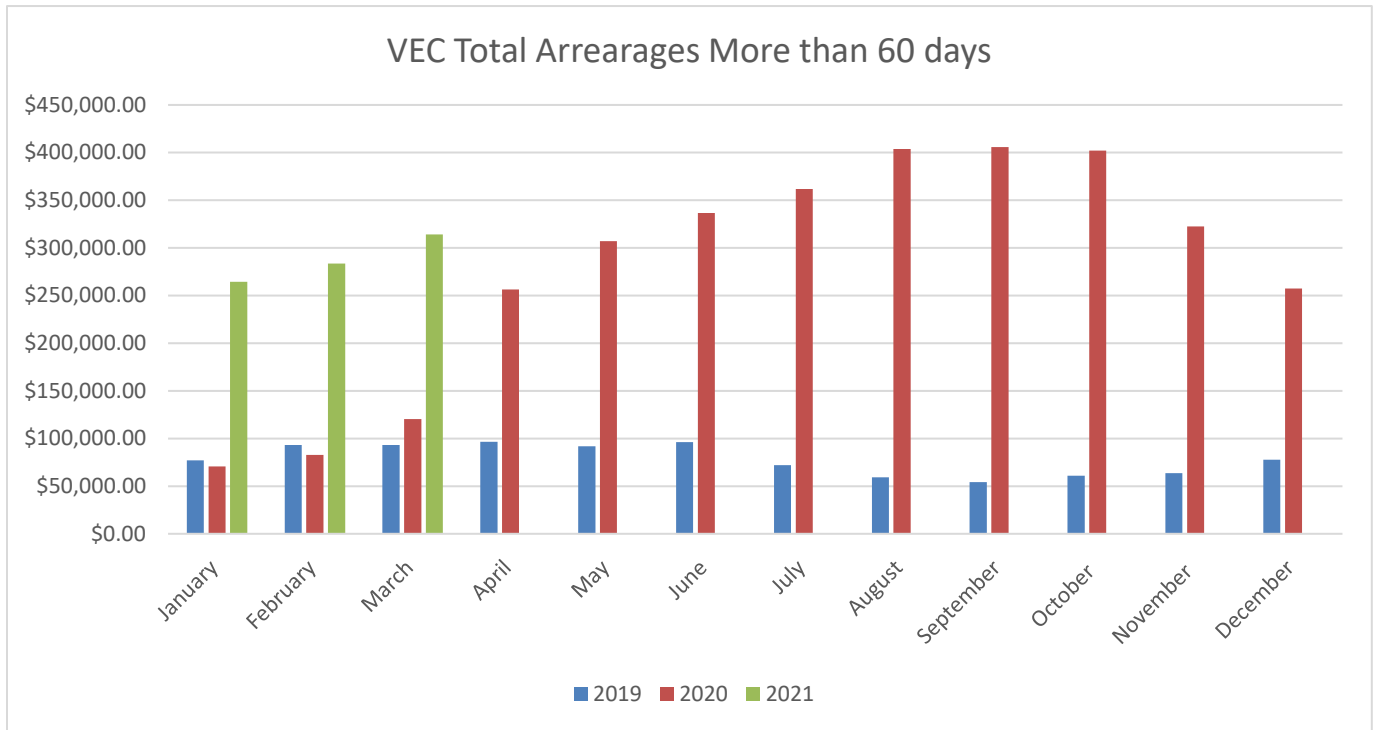


Over 60-day arrearages have increased considerably since the COVID crisis (compare Spring and Summer 2020 to Feb. 2020). Arrearages peaked in August 2020 and reached more than five times usual levels. They then decreased as a direct result of VCAAP assistance program (see Sept 2020 through end of 2020). Since the end of VCAAP, arrearages have again increased and are approaching pre-assistance levels. VEC is concerned that without additional assistance, arrearages will again exceed five times usual levels.

Arrearages Through March 2021	60-90 Days		90 + Days			
	Count	Amount	Count	Amount		
Residential	1124	\$157,237	538	\$184,666	1662	
Non Residential	90	\$17,797	35	\$13,326	125	
Total	1214	\$175,034	573	\$197,992	1787	\$373,026

VEC has also been tracking the number of member accounts that hold these arrearages. While the total dollar amount has been increasing monthly in the new year, the number of accounts holding these arrearages increased in January but then decreased from February to March. It is unclear whether we will continue to see **fewer accounts with larger arrearages**, but this could have implications for eligibility criteria for any future financial assistance programs including any funding caps for individual applications.





As arrearages continue to build, VEC and our members will face challenges in finding repayment arrangements that will be successful. This is stressful for the individual member and it also causes VEC to immediately incur costs as electricity is billed after consumption has already taken place. As a nonprofit cooperative if members are not able to pay their bills it results in cost shifts to other members.

While VEC has continued to support and assist our members with the tools available to us, we urge the Vermont Legislature to make arrearage assistance a funding priority. Although there is currently a moratorium on involuntary utility disconnections, this is a temporary stop gap and, in some cases, unfortunately exacerbates the problem. Arrearages continue to grow, and action is needed to help members from falling further behind on their bills. We urge the Vermont legislature to appropriate funds to meet this immediate need so that Vermont citizens and businesses will emerge stronger from this crisis. We stand ready to work with you to help our members. Thank you.

**Andrea Cohen, Manager
Government Affairs and Member Relations
Vermont Electric Cooperative**

