The Energy Regulator’s Role in Mitigating the Impact of COVID-19

April 21, 2020

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ABOUT NARUC

Founded in 1889, the National Association of Regulatory Utility Commissioners (NARUC) is a non-profit organization dedicated to representing the state public service commissions who regulate the utilities that provide essential services such as energy, telecommunications, power, water, and transportation.

Our mission is to serve in the public interest by improving the quality and effectiveness of public utility regulation. Under state law, NARUC's members have an obligation to ensure the establishment and maintenance of utility services as may be required by law and to ensure that such services are provided at rates and conditions that are fair, reasonable, and nondiscriminatory for all consumers.

Our Members are the state regulatory Commissioners in all 50 states & the territories. FERC & FCC Commissioners are also members. NARUC has Associate Members in over 20 other countries.
ABOUT NARUC INTERNATIONAL

NARUC International Programs seeks to empower the global community of regulators to drive meaningful change in their energy sectors.

Working in partnership with U.S. and international officials, our projects support real improvements in the quality and effectiveness of regulation in foreign countries through dialogue and collaboration. We utilize the talents and expertise of state commissioners and staff in our work, sharing the best of what the NARUC community has to offer.

Our Vision: A world where effective regulation enriches livelihoods, grows economies, ensures sustainable and secure energy and provides universal access to high quality public services.
Dr. STEVEN S. BURNS, P.E.

Chief, Energy and Infrastructure, Bureau for Europe and Eurasia, U.S. Agency for International Development (USAID)

Dr. Burns manages and supports over $150 million in technical assistance programs and projects in ten countries of the former Soviet Union and Southeast Europe, closely collaborating with counterparts in EU member states as well as with the U.S. State Department and the Department of Energy. He plays a leading role in regional U.S. assistance policy and program development with respect to fostering energy sector reform and anti-corruption efforts; identifying, protecting, and upgrading critical infrastructure; developing alternatives for energy supply diversification; and promoting energy efficiency.

He initiated several ground-breaking assistance programs that have become models for global deployment in areas such as improving energy sector cyber security, natural gas system planning, and disaster response capabilities of electric utilities.

Mr. Burns has over 20 years of experience in the energy sector, and prior to his work at USAID, he specialized in asset development; power sector commercial and technical due diligence; and energy efficiency and green power strategies. He engaged extensively in the evaluation and development of energy projects valued at several billion dollars, including multiple natural gas, wind, photovoltaic, and biomass engagements.

He holds a B.S. from Carnegie Mellon University in Mechanical Engineering and Engineering and Public Policy; an M.S. in Mechanical Engineering from the University of Massachusetts; and a Ph.D. in Engineering Management from the George Washington University.
The Honorable David Danner, Acting Chair of the International Confederation of Energy Regulators (ICER) (Chairman, Washington Utilities and Transportation Commission)
Commissioner Brandon Presley was elected Public Service Commissioner for the Northern District of Mississippi in 2007, re-elected in 2011, 2015 and most recently in 2019 without opposition. Elected to the Public Service Commission at age 30, he was the youngest Commissioner ever elected in Mississippi.

Prior to his election to the Public Service Commission, he served as Mayor of Nettleton from 2001 to 2007, having been elected at the age of 23, making him one of the youngest mayors in Mississippi history. Commissioner Presley currently serves as President of the National Association of Regulatory Utility Commissioners (NARUC).

Commissioner Presley is a lifelong resident of Nettleton, where he is a member of the Enon Primitive Baptist Church. He is past-President and current member of the Nettleton Lions Club and is a member of the Nettleton Civitan Club.
DAVID DANNER

Acting Chair of the International Confederation of Energy Regulators (ICER) Chairman, Washington Utilities and Transportation Commission

Gov. Jay Inslee appointed David Danner chairman of the Utilities and Transportation Commission in February 2013 and re-appointed him to a second term in December 2018. Danner had been the agency’s executive director since 2005 and secretary since 2008. Before that, he served as executive policy advisor to Washington Gov. Gary Locke on energy, telecommunications, finance, and elections issues. In 2004, Gov. Locke named Danner to the state Pollution Control Hearings Board and Shoreline Hearings Board, where he served before moving to the commission.

Danner serves on the Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), and the National Regulatory Research Institute (NRRI). He is Vice Chair of the International Consortium of Energy Regulators, and is a member of the State Technology Services Board and the Executive Council of the National Council on Energy Policy. He also serves on advisory boards of the Critical Consumer Issues Forum and the Center for Public Utilities at the New Mexico State University College of Business.
Washington State USA
COVID-19 Response

DAVID DANNER
Chair, Washington Utilities and Transportation Commission
State of Emergency declared February 29

March 2 – Some schools closed
March 11 – Ban groups >250 and all conferences
March 13 – All schools closed
March 15 – Ban groups >50, close businesses and restaurants
March 19 – Ban groups >10
March 23 – “Stay home. Stay healthy” order; exceptions for essential businesses
So far:

- Washington State population -- 7.6 million
- 600,000 unemployment claims in last three weeks
- 138,642 tested
- 11,790 tested positive
- 634 have died
Energy regulator actions

- Contacted all companies to request suspension of disconnections, waivers of late fees
- Requested Governor to issue emergency proclamation to
  - Authorize virtual meetings and hearings
  - Authorize companies to use deferrals to assist low-income customers
- Delay filings of annual reports and payments of regulatory fees
Entering a period of uncertainty

- What is impact on electric and natural gas load?
- What levels of bad debt will we see?
- How long will it last? What are short-term impacts? What are long-term impacts?
- How do we set rates that balance needs of utilities to provide safe and reliable service with needs of customers?
- What is the financial impact on utility regulatory agency? Reduced budget? Staffing?
ASIM Z. HAQUE

Vice President – State and Member Services, PJM

Mr. Haque leads a number of important functions at PJM. He leads the State Government Policy division which is charged with being the primary conduit between PJM and state governments.

He also leads the Electricity Infrastructure Policy unit, which is charged with advancing state and federal policy associated with grid reliability and security. Last, he leads the Member Services division which is charged with facilitating the PJM stakeholder process and providing cutting-edge service to PJM members.

Prior to joining PJM, Mr. Haque was the chairman and chief executive officer of the Public Utilities Commission of Ohio (PUCO). He was appointed to the PUCO by Governor John R. Kasich in 2013 and was reappointed to a second term in 2016.
COVID-19 Timeline

Jan. 2020

• Eliminated International business travel & International visits
• Began to track personal international travel
• Enhanced cleaning

Feb. 2020

• Suspended all PJM travel
• 14-day self-quarantine for personal International travelers
• Required reporting and tracking of illness

Mar. 2020

• Cancelled all non-essential meetings on-site
• Social distancing implemented
• Separation / isolation of Control Rooms (VF & M)
• Implemented dedicated doors for operators
• Critical support staff working remotely
• Eliminate in-person handoffs between operators

• Control rooms: Disinfected daily; work stations – before and after each shift.
• Encouraged operators to self-quarantine when off shift
• Encouraged operators to conduct a self-observation checklist (temperature checks, etc.)
• Dedicated cleaning staff for control rooms
• March 13: Telecommuting through May 4
• March 21: Dispatch moved to 12-hour shifts

Apr. 2020

• Implemented 3rd control room
• Start return-to-work planning
ELENKO KOLEVSKA

Head of Electricity Department at Energy and Water Services Regulatory Commission (ERC), North Macedonia

Ms. Kolevska holds a Bachelor’s and Master’s degree in Electrical Engineering. She has more than 15 years of experience in the energy sector in Republic of North Macedonia. Since June 2004, she was a Junior Associate in the Energy Department of the Ministry of Economy. From October 2008, she was Head of Unit for Analysis and Energy Development in the Energy Department in the Ministry of Economy. From November 2014, she was a specialist for Energy Policy and Regulatory Management in EVN Macedonia. Since June 2019, she has been Head of the Electricity Department in the ERC.


She has experience in: Security of Supply, Energy Strategies, Investments in Energy, Development of the grids, Electricity Markets, Licencing, Price regulation, etc.
NARUC WEBINAR

The Energy Regulator’s Role in Mitigating the Impact of COVID-19

Elena Kolevska, Head of Electricity Department

April 21, 2020
General information about COVID – 19 situation (1/2)

- At the beginning of March 2020 kindergartens, schools and universities were closed.
- All employees who have a child below the age of 10 or are suffering from a chronic disease are free from work until further notice.
- All services providers such as restaurants (except food delivery), cafes, shopping malls (except supermarkets and pharmacies), sport activities centers, etc. were closed.
- Industrial capacities work under recommendation of the Government concerning social distancing, hygiene and sanitary issues, etc.
- On the 18th of March 2020 State of emergency was declared by the President of the country in duration of 30 days which was extended by additional 30 days.
General information about COVID – 19 situation (2/2)

• A curfew was introduced every working day from 21:00-05:00 and from 16:00-05:00 on Saturday and Sunday.
• From 8\textsuperscript{th} of April 2020 was introduced more rigorous curfew on every working day from 16:00-05:00 and from Fridays at 16:00 till Mondays at 05:00.
• For different age categories of citizens the prohibition for mobility is different (people above 67 in the period 10:00 – 12:00 during working days and youngsters under age of 18 in the period 13:00 – 15:00 during working days are allowed to move).
Organization of the work in ERC (1/2)

• Minimum stuff in the office with concrete schedule who should be in the office.
• All meetings with third parties are postponed and the internal meetings are organized with attendance of the minimum employees.
• Working from home (all stuff is sufficiently equipped).
• No organization of the meetings with different purposes (appointments, public discussions, debate, preparatory session etc.)
• Public and interested parties are informed from the web site, e-mails and press releases.
• Organization of tele and video conferences for discussions and decision making.
Organization of the work in ERC (2/2)

• Travel restriction inside and outside of the country.
• Correspondence with the physical and legal persons will be via email.
• Applications for licenses should be made by mail and additionally also by post.
• There is no difference in duration of the reply to the emails or to reply on the requests in written form.
• The written correspondence to the ERC should be send by post or in the box outside the entrance of the institution.
ERC and Government Measures (1/2)

- ERC Measures:
  - Recommendation to distribution system operators for electricity and heat not to disconnect the consumers in the period of proclaimed pandemic situation due to the unpaid invoices.
  - Recommendation to electricity and heat suppliers not ask the distribution system operators to disconnect their consumers due to the unpaid electricity invoices.
  - Warning to the electricity suppliers not to abuse the situation and increase the electricity prices.
ERC and Government Measures (2/2)

- Government measures:
  • To expand the monthly social allowances eligible for the energy vulnerable consumers to those who were left without jobs (16 Eur/month).
  • To apply for the usage of the economic measures established by the Government.

- Discussions between ERC and Stakeholders:
  • Not to calculate interest on the unpaid invoices of the socially vulnerable consumers.
  • To allow payment of the unpaid debt in several installments.
DSO’s and Universal Supplier’s Measures (1/2)

• The reception offices in DSO will not operate in all User Energy Centres as well as the Info Centre in Skopje.

• Users should use online services and in case of urgency should contact phones at any User Energy Centre.

• Users can apply for an invoice electronically and quickly pay the invoices without registering.

• Account registration includes services such as: checking and paying off debts, downloading invoices from the last 12 months, checking the history of all payments made through the user account and requesting a successful payment confirmation.
DSO’s and Universal Supplier’s Measures (2/2)

- No new connections will be made except those that are necessary to be realized (urgency, no physical contact with clients, depending on available material on stock, sufficient subcontractor’s capacity).

- The measuring devices (without possibility to be accessed remotely) will not be read for at least one month, due to which the users will receive accounts with estimated values, (average of the consumption in the last 12 months). After the crisis, with the re-reading, the possible deviations in the consumption will be equalized.
TSO’s Measures (1/2)

- National dispatching centre (NDC) is organised in a separate plan that includes three different premises in case one is contaminated (regular, reserve and crises) and one in the different location.
- Dispatchers follow strict plans for shifts in which different groups of dispatchers do not have contacts among each others. This schedule ensures that half of the dispatchers work in a continuous 24-hour shift for two weeks, and the other half of the dispatchers are at home ready. In this way, it is believed that continuous operation of the dispatch centre is ensured even when one of the regular dispatchers is infected with a virus, so that the entire line-up will be replaced with the home line-up.
TSO’s Measures (2/2)

• Also on the reserve list are employees that previously worked as dispatchers and are now on different positions in the TSO.
• Carrying out only previously scheduled activities that started on the field.
• In the following period the number of employees (isolated from other employees) is increasing, who from home are ready to respond in case of need (outbreaks of illness among employees).
• The number of maintenance teams for transmission lines and substations that will be in-house is increasing. These employees are organized and equipped with the necessary number of vehicles, tools, instruments and more, ready to intervene at any moment.
General Overview

- For now there are no security of supply issues (continuity of supply is provided for all types of energy and energy derivatives).
- Maintenance of the facilities is according to the schedules and DSO and TSO are ready to quickly respond to the damages.
- Protection of the consumers is in the focus.
- No interventions in the energy markets are needed.
- Possible concerns of the liquidity issues that should be discussed between ERC and the stakeholders.
- ERC monitors the activities of the stakeholders.
THANK YOU FOR YOUR ATTENTION!

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Q&A SESSION
THANK YOU FOR JOINING!