Date Filed: September 24, 2026

Witness: Jessica B. Cain, Daniel M. Traynor and Timothy J. Griffin
Request from: Office of Consumer Counsel

Question:

Uncollectibles. Refer to the response to OCC-057.

a. Explain why recoveries decreased in 2025 over prior year levels.
b. Explain whether the Company has changed collection efforts or outside vendors handing collection efforts in any of the years 2021-2025.

Response:

a. Please refer to the table below, which reflects total recoveries, including both non-hardship and hardship recoveries. In response to OCC-057[i], the Company provided the amount of non-hardship recoveries. When hardship and non-hardship recoveries are combined, total recoveries have remained relatively stable from 2023 through 2025.

In mid-2024, the Company implemented data matching with the Department of Social Services to identify customers receiving qualifying state benefits and automatically enroll eligible customers in hardship protection and the Low-Income Discount Rate. As a result of this initiative, the number of customers identified as experiencing financial hardship more than doubled, increasing to approximately 200,000 customers.

This increase in the hardship customer population resulted in a higher percentage of hardship recoveries than prior to data matching. While non-hardship recoveries declined in 2025 compared to prior years, overall recoveries remained largely unchanged. Therefore, the decrease in reported non-hardship recoveries does not reflect a material decline in total recoveries, but rather a shift in the classification of recoveries attributable to the increase in customers qualified as hardship.

Year	Total Recoveries
2021	$ 5,522,571
2022	$ 5,945,263
2023	$ 4,620,873
2024	$ 4,381,798
2025	$ 4,367,917

b. Yes, the Company initiated and completed an RFP in mid-2024 for third-party collection agencies; the contracts were awarded in Q1 2025.

Prior Referenced Response:

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[i] OCC-057 Question:

(Uncollectible Expense) Provide the distribution revenues, distribution write-offs, and distribution recoveries for each year 2021, 2022, 2023, 2024, 2025 and year to date 2026.

OCC-057 Response:

The actual amounts of the Company's distribution revenues, write-offs, and recoveries for the requested years are set forth below:

Base Distribution Revenues:
2021 $1,109,339,802
2022 $1,058,338,369
2023 $1,096,235,185
2024 $1,111,934,261
2025 $1,128,579,493
YTD June 2026 $560,976,501

Non-hardship write-offs:
2021 $34,596,195
2022 $22,595,575
2023 $29,284,763
2024 $31,629,103
2025 $35,382,433
YTD June 2026 $14,784,645

Non-hardship recoveries:
2021 $4,301,047
2022 $4,634,163
2023 $3,487,856
2024 $3,734,582
2025 $2,869,707
YTD June 2026 $1,610,118