

- 1 **Q. Five of the utilities surveyed will transfer service to the landlord when the tenant**
 2 **has arrears. How do these utilities deal with the arrears and handle these situations?**
 3 **What is the rationale for Newfoundland Power not following a similar practice?**
 4
 5 A. Table 1 provides the results of Newfoundland Power’s survey question on the transfer of
 6 service to landlords, issued in December 2017 and updated in August 2018.

Table 1: Transfer of Accounts to Landlords

<i>If a tenant is disconnected for debt or refused service based on previous account history, do you allow landlords to put the account in their name in order to restore service?</i>	
Utility	Results
Newfoundland Power	No, unless the tenant vacates the property
Utility 1	No, unless the tenant vacates the property
Utility 2	Yes, and arrears stay with tenant’s account ^{1, 2}
Utility 3	No, unless the tenant vacates the property
Utility 4	Yes, and arrears stay with tenant’s account
Utility 5	Yes, and arrears stay with tenant’s account
Utility 6	Yes, and arrears stay with tenant’s account
Utility 7	Yes, and first option explored is transfer of balance to landlord ¹
Utility 8	No, unless the tenant vacates the property

7 The survey results show that, of the 5 utilities that will allow an account to be transferred
 8 to a landlord, all 5 will allow the existing arrears to stay with the tenant’s account. One
 9 of these utilities indicated they would first explore the option of transferring a balance to
 10 the landlord’s new account.

11
 12 In Newfoundland Power’s view, transferring service to a landlord while an existing
 13 tenant has outstanding arrears creates 2 essential issues. First, it creates an issue of
 14 fairness as some customers who were responsible for an account would continue to
 15 receive service without paying their bill, while others would be disconnected for non-
 16 payment. Second, it would limit the Company’s ability to recover unpaid arrears by
 17 removing a tenant’s incentive to pay their bill. This would likely increase uncollectible
 18 bills expense, which is borne by all customers.

¹ Information obtained through follow-up conversation with survey participant in August 2018.

² Utility also noted service would only be refused if the landlord owed money or resided with the customer when the arrears were accrued.