**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Commission’s Review of Chapter 4901:1-13 of the Ohio Administrative Code, Regarding Minimum Gas Service Standards. | )  )  )  ) | Case No. 13-2225-GA-ORD |

**REPLY COMMENTS**

**OF**

**DUKE ENERGY OHIO, INC.**

On November 15, 2013, the Public Utilities Commission of Ohio (Commission) issued an entry commencing its five-year review of the rules in O.A.C. Chapter 4901:1-13, relating to minimum gas service standards. Pursuant to that order, a workshop was held on January 14, 2014. The Commission’s subsequent entry of February 26, 2014, called for comments on staff’s proposed changes to that chapter, with due dates of March 28, 2014, for initial comments, and April 11, 2014, for reply comments. In accordance with the Commission’s schedule, Duke Energy Ohio, Inc., (Duke Energy Ohio) respectfully submits its reply comments.

**Rule 13-04**[[1]](#footnote-1)

Paragraph (D)(5)(c) relates to the utility’s obligation to return to the customer any overpayments resulting from faulty meters. The Office of the Ohio Consumers’ Counsel (OCC) proposes that the utility also pay interest on such overpayments, at not less than three percent. Duke Energy Ohio opposes this change. While, on its face, this idea appears reasonable, it is critical to recognize that the OCC only proposes the payment of interest in one of the two possible situations. A faulty meter can just as easily result in a customer undercharge as a customer overcharge. Yet the OCC only recommends that the utility pay the customer interest, not the other way around when the customer has underpaid. Furthermore, Duke Energy Ohio does not charge interest on customers’ past-due amounts. Again, both sides must be treated in similar fashions.

In addition, the Commission should be concerned about the impact of rule changes on those other customers who are not directly impacted. The addition of interest in this situation would require technological billing changes, the cost of which would have to be recovered through rates. Overcharges that result from faulty meters are rare occurrences, and the cost to benefit that small segment of customers is not reasonable.

Furthermore, the OCC suggests that the amount of such overcharges be calculated with reference to a number of factors, including weather, changes in household size, and new appliances that the customer may have obtained. Duke Energy Ohio opposes this unnecessary change. Many of the factors identified by the OCC are already taken into account, as the current rule does not limit the calculation of a reasonable charge to just the rates in effect. Duke Energy Ohio, for example, takes into account the previous year’s history for the same period, as well as heating degree days. Beyond those factors, however, the OCC’s suggestions are unreasonable. The utility cannot be expected to know any changes in household size, changes in appliances, or changes in efficiency measures.

The Commission should reject these proposed changes.

**Rule 13-11**

The OCC suggests revising paragraph (B)(27) to require that the bill include a price-to-compare, a reference to the apples-to-apples website, and a reference to the OCC’s fact sheets on shopping.  Duke Energy Ohio disagrees.  Duke Energy Ohio would first note that it already includes its price to compare on the bill, as the price to compare is the gas cost rate.  It need not be repeated on the bill.  Furthermore, it should be understood that any difficulty that customers may have with comparing utility prices and the retail suppliers’ prices is compounded by the fact that many of those suppliers do not inform potential customers that, to compare fairly, they must add sales tax onto the amount that will be charged by the supplier.

Duke Energy Ohio also questions the merit of including additional shopping information on the bill, such as reference to the Commission’s website or to the OCC’s shopping flyers.  The bill is already a long and complicated document.  Additional verbiage buried in the text of the bill is unlikely to be helpful.  This is particularly true in a situation where the utility provides both gas and electric services, as Duke Energy Ohio does.  It is unlikely that the benefit of this additional information would outweigh the detriments or the cost to add it onto the bill.

The OCC also proposes two substantive changes to paragraph (E)(3) of this rule. First, the OCC proposes that the paragraph be amended to reduce or eliminate the $2.00 maximum charge for a customer to pay a bill through an authorized agent. Duke Energy Ohio certainly understands the need to keep such charges as low as possible, but disagrees with the proposal to alter the rule. Duke Energy Ohio currently charges $1.50 at authorized agents, and also provides free payment locations. However, there is no assurance that such charges will be able to be retained in the future. In order to allow for maximum flexibility and thereby to keep as many options available for customers as possible, the rule should continue to cap the charges at $2.00.

The OCC also asks that customers be allowed to pay the utility directly, through a credit or debit card, thereby avoiding any convenience fee. This is particularly problematic, as Duke Energy Ohio does not recover the cost of credit card fees through rates. While the OCC’s suggestion would allow customers to avoid a charge, Duke Energy Ohio’s costs would rise. Thus, to offer a free option to pay bills through credit or debit cards, Duke Energy Ohio would need to establish a cost recovery mechanism.

The Commission should reject both of these suggestions.

Duke Energy Ohio appreciates the opportunity to provide its initial comments to the Commission and respectfully requests that the Commission revise the proposed rules in accordance with the suggestions herein.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was delivered by U.S. mail (postage prepaid), personal delivery, or electronic mail, on this 11th day of April, 2014, to the following parties.

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1. For purposes of readability, rule and chapter numbers will be designated without reference to the agency or division number. In addition, where Staff’s proposed revisions result in numbering changes, the new (proposed) numbering is used for reference purposes. [↑](#footnote-ref-1)