**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Application to Modify,in Accordance with Section 4929.08,Revised Code, the Exemption Granted to**The East Ohio Gas Company d/b/a****Dominion East Ohio** in Case No. 07-1224-GA-EXM | :::::: | Case No. 12-1842-GA-EXM |

**PREFILED TESTIMONY**

**OF**

**BARBARA BOSSART**

**Reliability and Service Analysis Division**

**Service Monitoring & Enforcement Department**

**Public Utilities Commission of Ohio**

**Staff Exhibit \_\_\_\_\_**

1. Q. Please state your name and business address.

 A. My name is Barbara Bossart.  My business address is 180 E. Broad Street, Columbus, Ohio 43215-3793.

2. Q.  By who are you employed?

 A. I am employed by the Public Utilities Commission of Ohio.

3. Q.  What is your present position with the Public Utilities Commission of Ohio and what are your duties?

 A. I am a Utility Specialist 2 in the Reliability and Service Analysis Division of the Service Monitoring and Enforcement Department.  I am responsible for analyzing service quality performance as well as recommending and enforcing service-quality and consumer-protection policies and rules.

4. Q. Would you briefly state your education background and work experience.

 A. I have a bachelor’s degree from Marshall University and I have been employed by the Public Utilities Commission of Ohio since 1999.  For six years, I worked as an Investigator in the Investigation and Audits Division of the Service Monitoring and Enforcement Department. As an Investi­gator my duties included interacting with the consumers to investigate their concerns about utility companies’ policies and practices.  I also performed Customer Service Audits to identify customer service issues or non-com­pliance with rules.  In May 2005 I was promoted to my current position and duties.

5. Q. What is the scope of your testimony?

 A. My testimony is limited to two subjects. First, I will discuss Staff’s expecta­tions regarding customer education as it relates to the exit from the merchant function for non-residential customers of East Ohio Gas Company, d/b/a Dominion East Ohio (Dominion or the Company). Second, I will propose the type of information the Commission will need to assess whether a full exit for non-residential customers produces the bene­fits promoted by the suppliers in their testimony,[[1]](#footnote-1) as well as understanding the consequences of a fully-competitive market, before contemplating any further movement toward a full-competitive residential market.[[2]](#footnote-2)

6. Q. Why do non-residential customers need to be informed about the Dominion’s full exit of the merchant function for non-residential custom­ers?

 A. Currently, Dominion’s tariffs offer commodity service under the Standard Choice Offer (SCO) to choice eligible residential and non-residential cus­tomers. At the present time, non-residential customers have three choices for their natural gas supply. Currently, non-residential customers may choose from: (a) Dominion’s tariff SCO; (b) a customer-selected Competi­tive Retail Natural Gas Supplier (“supplier”) -; or (c) Governmental Aggre­gation. If the Commission approves Dominion’s application, beginning in April 2013 the option for Choice-eligible non-residential customers (“non-residential customers”) to receive or select SCO service will be eliminated.

 Non-residential customers currently have the option to remain on Dominion’s SCO tariff or to return to SCO tariff service even if they are currently with a supplier. All non-residential customers should be informed that the SCO tariff service will no longer be available to them as an option beginning April 1, 2013. In addition, some customers who have remained on the SCO tariff service may not be familiar with or educated about -Ohio’s nat­ural gas choice service or the natural gas commodity market in general. Staff believes educational materials should be provided to non-residential customers in order for them to make a fully informed decision on who should supply their natural gas.

7. Q. What type of educational material is staff proposing Dominion provide to it customers?

 A. Staff recommends that the Commission require Dominion to provide spe­cific education material to all non-residential customers who are currently eligible for SCO tariff service. Staff also recommends that these non-resi­dential customers be provided adequate notice of Dominion’s proposed changes. Since it can take up to two billing cycles for a customer’s natural gas sup­plier to be switched, staff believes that it is essential that affect cus­tomer receive at least two notices prior to April 2013.

8 Q. Why does staff recommend that at least two notices be provide to non-resi­dential customers?

 A. In addition to the reason stated above, Staff would like to maximize the num­ber of non-residential customers that choose their own supplier of nat­ural gas instead of being automatically assigned to an MVR supplier. The second notice is to provide more detailed information to those customers who have not yet selected their own supplier.

9. Q. Are there other specific educational materials staff is proposing be sent to non-residential customers?

 A. Yes. Since Dominion’s proposed exit impacts customer understanding of the company’s role in providing natural gas service, staff recommends that Dominion work with Staff in developing theses materials, including a letter to all non-residential customers, not just those currently in the SCO. In that letter the Company should specifically state:

* Customers who have not selected a supplier by April 1, 2013 will be assigned to an approved Monthly Variable Rate sup­plier (“MVR”)
* The MVR supplier’s price of gas is not regulated by the Com­mission.
* The MVR supplier is required to post its rate on the Commis­sion’s Apples to Apples chart.
* Customers assigned to an MVR supplier may switch to another supplier without penalty.
* It may take up to two billing cycles to switch a customer’s natu­ral gas supplier.
* Dominion will supply a list of current supplier’s operating in its service territory or identify where a customer may find such a list.
* MVR suppliers are required to follow the Commission’s “Mini­mum Standards for Competitive Retail Natural Gas Service.
* Customer’s currently under contract with a supplier will not be impacted by this change.
* Dominion will continue to supply the bill and maintain the natu­ral gas pipes.

10. Q. What type of information does Staff want Dominion to provide to assist the Commission in its review of the consequences of the Company’s exit from the merchant function for non-residential customers?

 A. In addition to the aggregated non-CRNGS specific rate, usage and customer count information provided to OCC, if the Stipulation and Recommenda­tion is approved, Staff also recommends Dominion provide among other things some of the information proposed by the suppliers in their testi­mony[[3]](#footnote-3) to allow the Commission to better understand the impacts of a fully competi­tive market such as: whether the number of participating suppliers increases or decreases over the next three years ; the number and type of various supplier offers of new products and services offered to customers (such as value-added service, rate design); customers’ participation num­bers for those new products and services; the amount of any increase in supplier investment in Ohio (such as community involvement, supplier offices, and number of new employees); specific customer billing deter­minants.

11. Q. Why is Staff requesting this additional information?

 A. As stated by the parties in their Joint Motion[[4]](#footnote-4), the Commission needs to understand “(t)he consequences of a fully-competitive market before there is any further movement toward a fully-competitive residential market[[5]](#footnote-5).” Staff believes that the information requested above will provide a more compre­hensive review of the impacts a fully-competitive non-residential market.

12. Q. When is Staff requesting Dominion provide all of the above information?

 A. Within two weeks of the Opinion and Order (“O&O”) in this case, Staff would like to meet with the Company to develop the educational materials. Thereafter within 60 days of the O&O Staff requests Dominion be prepared to discuss with Staff the form and timeline of the information requested above.

13. Q. Does this conclude your testimony?

 A. Yes, it does. However, I reserve the right to submit supplemental testi­mony as described herein, as new information subsequently becomes avail­able or in response to positions taken by other parties.

# PROOF OF SERVICE

 I hereby certify that a true copy of the foregoing Prefiled Testimony of Barbara Bossart submitted on behalf of the Staff of the Public Utilities Commission of Ohio,was served via elec­tronic mail, upon the follow­ing par­ties of record, this 4th day of October, 2012.

*/s/ Stephen A. Reilly*

**Stephen A. Reilly**

Assistant Attorney General

**Parties of Record:**

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| Joseph P. SerioLarry S. SauerAssistant Consumers’ CounselOffice of the Ohio Consumers’ Counsel10 West Broad Street, Suite 1800Columbus, OH 43215serio@occ.state.oh.ussauer@occ.state.oh.usMark WhittAndrew J. CampbellWhitt Sturtevant155 East Broad StreetColumbus, OH 43215whitt@whitt-sturtevant.comcampbell@whitt-sturtevant.comJoseph M. ClarkDirect Energy6641 North High Street, Suite 200Worthington, OH 43085joseph.clark@directenergy.comCraig G. GoodmanNational Energy marketers Association3333 K Street, N.W., Suite 110Washington, DC 20007cgoodman@energymarketers.com | David C. RineboltColleen MooneyOhio Partners for Affordable Energy231 West Lima StreetFindlay, OH 45840drinebolt@aol.comcmooney2@columbus.rr.comM. Howard PetricoffStephen M. HowardVorys, Sater, Seymour & Pease52 East Gay StreetP.O. Box 1008Columbus, OH 43216mhpetricoff@vorys.comsmhoward@vorys.comFrank P. DarrMcNees Wallace & Nurick21 East State Street, Suite 910Columbus, OH 43215fdarr@mwncmh.comBarth E. RoyerBell & Royer33 South Grant AvenueColumbus, OH 43215-3927barthroyer@aol.com |

1. *In the Matter of the Application to Modify, in Accordance with Section 4929.08, Revised Code, the Exemption Granted to The East Ohio Gas Company d/b/a Dominion East Ohio in Case No. 07-1224-GA-EXM*, Case No. 12-1842-GA-EXM (Direct Prepared Testimony of Teresa L. Ringenbach on Behalf of the Retail Energy Supply Association and the Ohio Gas Marketers Group) (September 13, 2012). [↑](#footnote-ref-1)
2. *Id*. *(*Joint Motion to Modify Order Granting Exemption at 4) (June 15, 2012). [↑](#footnote-ref-2)
3. *In the Matter of the Application to Modify, in Accordance with Section 4929.08, Revised Code, the Exemption Granted to The East Ohio Gas Company d/b/a Dominion East Ohio in Case No. 07-1224-GA-EXM,* Case No. 12-1842-GA-EXM (Direct Prepared Testimony of Teresa L. Ringenbach on behalf of the Retail Energy Supply Association and the Ohio Gas Marketers Group) (September 13, 2012). [↑](#footnote-ref-3)
4. *In the Matter of the Application to Modify, in Accordance with Section 4929.08, Revised Code, the Exemption Granted to The East Ohio Gas Company d/b/a Dominion East Ohio in Case No. 07-1224-GA-EXM*, Case No. 12-1842-GA-EXM (Joint Motion to Modify Order Granting Exemption) (June 15, 2012). [↑](#footnote-ref-4)
5. *Id*. at 4. [↑](#footnote-ref-5)