

**FILE**

**Before  
The Public Utilities Commission of Ohio**

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PUCO

In the Matter of the )  
Commission's Review of Chapters )  
4901:1-9, 4901:1-10, 4901:1-21, )  
4901:1-22, 4901:1-23, 4901:1- )  
24, and 4901:1-25 of the Ohio )  
Administrative Code. )

Case No. 06-653-EL-ORD

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**Comments of the Ohio Farm Bureau Federation**

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On May 1, 2008, Gov. Ted Strickland signed into law Amended Substitute Senate Bill No. 221 (SB 221) amending provisions of Amended Substitute Senate Bill No. 3 (SB 3). Among those amendments are various revisions to sections of the Ohio Revised Code, which require modifications to many rules impacting utility and energy service provider operations.

The Public Utilities Commission of Ohio (PUCO) has already accepted comments and reply comments on Staff proposed rules concerning electric security plans and market rate options, corporate separation plans, and special economic development arrangements for Ohio's investor-owned electric distribution utilities. These draft rules are being evaluated in Case No. 08-777-EL-ORD.

On July 23, 2008 the PUCO issued an entry seeking comments on Staff proposed rules concerning new and/or revised requirements for electric line extensions, government aggregation programs, net metering, interconnection, and environmental disclosure for Ohio's investor-owned utilities. These draft rules are being evaluated in Case No. 06-653-EL-ORD.

The Ohio Farm Bureau Federation (OFBF) appreciates the opportunity to be involved in this process, and submits the following comments for your consideration:

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**4901-1-9**  
**Electric Companies**

**4901-1-9-7: Rules, Regulations and Practices for the Construction of Electric Line**

**Extensions** – Line extension charges have been a critical issue for several years. OFBF has received reports from farm and rural residential energy consumers throughout Ohio about charges and fees assessed by investor-owned utilities to gain electric service for new homes and facilities for grain handling, feed production and livestock facilities. Many have had to refinance building loans, relocate sites and/or redesign facilities to address these charges. The organization sees these draft rules as a vital “first step” in addressing line extension issues and recommends the following adjustments:

- **(D) Cost Estimates** – Sections (1), (2) and (3) of 4901-1-9-7 provide guidelines where the utility must work with the customer to provide a firm estimate for all practical and expected costs for the construction and installation of a non-premium line extension. This firm estimate must be presented within an accepted time frame.

4901-1-9-7 (4) should provide options. A customer should have the option to accept the utility estimate and begin work immediately, or to recognize the utility estimate as an effective bid. The customer would have up to forty-five days after delivery of the utility estimate to conduct a competitive bid process and hire the utility or third party installer to complete the project. All specifications for bids submitted and ultimately accepted must be identical to, or surpass requirements listed in the original utility firm estimate. Also, all work must adhere to utility approval and inspection. If a third-party installer is not contracted at the end of the forty-five day period, the utility's estimate (bid) is automatically accepted and the utility becomes the contractor for the project.

- **(E) Line Extension Charges** – OFBF questions why 4901-1-9-7 (1) (c ) and (2) (c ) show that home owners would be responsible to pay for non-premium line extension costs that exceed utility \$2500 - \$5000 limits, while (3) (a) shows that all non-premium line extension charges for “nonresidential customers” are the full responsibility of the

electric utility. Granted, both residential and nonresidential customers will be responsible to paying for any premium service requested.

OFBF respectfully asks the Commission and Staff to further define and identify what are "nonresidential customers" as they pertain to these proposed rules. Moreover, the organization asks how and why requiring residential customers to pay for non-premium line extension costs after a certain expense limit, while not requiring nonresidential customers to pay under similar conditions provides for fair and equal access to electric service for all consumers.

- **(G) Future Residential Customers - Section (G) (1)** of 4901-1-9-7 explains that a residential customer who paid an electric utility a Contribution in Aid of Construction (CIAC) charge, other than for premium services *may* be entitled to a refund of a portion of the CIAC in accordance with several provisions. OFBF feels that such a refund should be mandatory.

Accordingly, the fifty month limitation as specified in 4901-1-9-7 (G) (1) (a) should be eliminated under certain conditions. As long as the original customer paying the CIAC owns the home and/or non residential installation requiring service, they have the right from proper compensation. Also, given questions raised in 4901-1-9-7 (E) (1) (c ) and (2) (c ) as explained above, compensation should be given to any customer – residential and/or non residential - paying the original CIAC charges when any other customer - residential and/or non-residential - intends to use part of the facilities for which the CIAC has been paid.

#### **4901-1-10 Electric Service and Safety Standards**

**4901:1-10-11: Distribution Circuit Performance** – Section (C ) of 4901:1-10-11 details provisions that apply to the reporting of each electric utility's eight percent worst performing circuits. Moreover, 4901:1-10-11 (C) (3) (k) covers creation of an action plan to improve the respective circuit's performance.

OFBF recommends the Commission require that the electric utility deliver notification of the given circuit's status to the respective county, township and/or municipal government leaders whose jurisdiction coincides with the circuit's location and service area. Local government leaders are to be briefed on the action plan, and working in conjunction with the utility and Commission, have the ability to exercise an option to conduct open hearings or outreach meetings concerning implementation of the action plan in the community.

If circuit performance does not improve within the time limit specified in the action plan, The Commission has the ability to implement a rate adjustment (decrease) for all customers within the circuit until corrective measures are completed.

**4901:1-10-22: Electric Utility Customer Billing and Payments** – Section (B) (5) of 4901:1-10-22 specifies text to be added to billing statements advising contact with the PUCO and Ohio Consumers Counsel (OCC) for possible assistance. Additional language should be added advising the residential consumer that they might be eligible for the Partial Income Payment Plan (PIPP) and/or other energy assistance services.

OFBF supports 4901:1-10-22 (D) prohibiting utilities to contract with a check-cashing business or licensee to be an authorized payment agent. Moreover, utilities should ensure that other bill paying agency outlets in all parts of their service area permit consumers to pay in cash, by check and/or credit/debit card. Funds transfers and processing between the agent and utility must be completed within 24 hours of the payment.

**4901:1-10-26: Annual System Improvement Plan Report** – Section (B) (1) (e) of 4901:1-10-26 asks for a listing of any quality, safety, and reliability complaints the electric utility or transmission owner received during the reporting period by other electric utilities, rural electric cooperatives, municipal electric utilities and competitive retail electric suppliers, as well as specific corrective actions taken.

OFBF understands that the Commission only has jurisdiction over Ohio's investor-owned utilities. However, we feel this information could be useful to the Commission and Staff as it conducts research that identifies possible trends and issues that could impact

consumers served by the utilities under its jurisdiction. OFBF supports activities where the Commission and Staff share information with Buckeye Power, AMP-Ohio, government aggregation groups and energy service provider groups concerning these issues.

**4901:1-10-28: Net Metering** – OFBF commends the Commission and Staff on conducting workshops with interested parties and similar efforts to explore and revise net metering and related interconnection issues. The organization provides the following recommendations to enhance these efforts detailed in 4901:1-10-28 (A) - Standard Net Metering:

- **Section (A) (1) (a) (i)** – This section should include a provision to recognize any possible new technology that could provide on-site generation capabilities.
- **Section (A) (4)** – This section should take into consideration that Ohio's investor owned utilities are already working with the Commission and Staff on Advanced Metering Infrastructure (AMI) Initiatives. Plans are being made to install new digital meters that could fulfill this two-way communication standard. Consumers needing such capabilities prior to large-scale installation of AMI digital technology in the overall service area should only have to pay a one-time fee. This charge should be no more than what will be assessed to all other consumers when AMI initiatives are completed in the community.

**4901:1-10-29: Coordination with Competitive Retail Electric Service (CRES) Providers** – OFBF supports provisions as detailed in 4901:1-10-29 (I) concerning the coordination of electric Percentage of Income Payment Plan (PIPP) customers with CRES providers, and plan administration by the Ohio Department of Development (ODOD).

OFBF understands that the Commission and Staff are working with ODOD, the Ohio Consumers Counsel (OCC) and interested parties organized through the OCC's Low Income Dialogue Group (OCC – LIDG) to coordinate both natural gas and electric PIPP programs to better serve low-income residential consumers. The organization looks forward to further work in these efforts and asks that the Commission and Staff to keep this work in mind while finalizing these rules.

**4901:1-10-33: Consolidated Billing Requirements** – Similar to suggestions made for Section (B) (5) of 4901:1-10-22, OFBF supports the provision of adding information on bills consolidating utility and CRES information advising residential consumers with late payments to contact the PUCO and Ohio Consumers Counsel (OCC) for possible assistance. Additional language should be added advising the residential consumer that they might be eligible for the Partial Income Payment Plan (PIPP) and/or other energy assistance services.

In conjunction with 4901:1-10-22 (D), any CRES provider opting to send its own bills should be prohibited to contract with a check-cashing business or licensee to be an authorized payment agent. Moreover, these CRES providers should ensure that their respective bill paying agency outlets (if any) should permit consumers to pay in cash, by check or credit/debit card, and process/acknowledge payments within 24 hours.

**4901:1-21**  
**Rules for Competitive Retail Electric Service (CRES)**

**4901:1-21-06: Customer Enrollment** – OFBF supports the coordination of PIPP customers as detailed in 4901:1-21-06 (B) by the Ohio Department of Development (ODOD). This support corresponds to similar comments made in reference to 4901:1-10-29 (I).

**4901:1-21-13: Net Metering Contracts** – As discussed in 4901:1-10-28 (A) (1) (a) (i), OFBF supports including a provision to recognize any possible new technology that could provide on-site generation capabilities into 4901:1-12-13 (A) (1) (a).

Similarly, OFBF's comments as detailed for 4901:1-10; 28 (A) (4) can be used again for 4901:1-21-13 (B). Ohio's investor owned utilities are already working with the Commission and Staff on Advanced Metering Infrastructure (AMI) initiatives. Plans are being made to install new digital meters that could fulfill this two-way communication standard. Consumers needing such capabilities prior to large-scale installation of such technology in the overall service area should only have to pay a one-time fee. This charge should be no

more than what will be assessed to all other consumers when AMI Initiatives are completed in the community.

**4901:1-21-14: Customer Billing and Payments** – As discussed in comments for 4901:1-10-22 (B) (5) and 4901:1-10-33, OFBF supports the provision of adding information on any and all electric bills coming from the utility, a CRES provider, or one using a consolidated format advising residential consumers with late payments to contact the PUCO and Ohio Consumers Counsel (OCC) for possible assistance. Additional language should be added advising the residential consumer that they might be eligible for the Partial Income Payment Plan (PIPP) and/or other energy assistance services.

As discussed in comments for 4901:1-10-22 (D) and 4901:1-10-33, any entity providing electric bills for payments should be prohibited to contract with a check-cashing business or licensee to be an authorized payment agent. Moreover, these entities should ensure that their respective bill paying agency outlets permit consumers to pay in cash, by check or credit/debit card, and process/acknowledge payments within 24 hours.

#### **4901:1-22 Interconnection Service**

OFBF understands that the Industry Standards as detailed in 4901-22-03 and General Provisions as detailed in 4901-22-04 address the needs/requirements for self-generators focusing on competitive retail or wholesale transactions to other service providers. The organization commends the Commission and Staff on establishing different, more customer friendly interconnection guidelines for smaller, net metering customers.

#### **4901:1-25 Market Monitoring**

As discussed in 4901:1-25-01 (D), rural electric cooperatives that choose to become a CRES provider will be identified as a "Certified Competitive Electric Cooperative." Accordingly, this entity will perform as a CRES provider and submit data related to its competitive electric generation services as detailed in 4901:1-25-02 (A) (3). OFBF understands that

Commission jurisdiction over the cooperative will be limited to the fulfillment of these provisions.

### **Final Comments**

OFBF understands that these rules will then be subject to review by the Joint Committee on Agency Rule Review (JCARR) process. Moreover, the organization looks forward to working with the Commission, Staff, the Ohio Consumers Counsel and other interested parties representing energy consumers as the rule making process continues on other provisions as addressed in SB 221.

Once again, thank you for your time and consideration.

Respectfully Submitted,

A handwritten signature in black ink that reads "Dale R. Arnold" with a horizontal line extending to the right.

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