

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Investigation into)
Long-Term Solutions Concerning the) Case No. 09-782-GE-UNC
Disconnection of Gas and Electric Service in)
Winter Emergencies.)

ENTRY

The Commission issues the following:

General

This winter heating season, we are concerned that gas and natural gas companies and electric utilities under our jurisdiction assist customers in every way possible to maintain their service for heating purposes. We expect these companies to advertise as much as practicable the availability of the Percentage of Income Payment Plan (PIPP) program, as well as the other standard payment plans provided by Commission rule.¹ We further expect the utilities to err on the side of maintaining service when there is a doubt as to the applicability or the interpretation of a rule.

Special Reconnection Procedures/Winter 2009-2010

As in past years, the Commission is concerned about those who, because of limited financial resources, have had their gas and/or electric utility services disconnected because they are unable to pay their bills and who, because of arrearages, have been unable to have these services restored. We believe the Commission's residential service rules have substantially assisted customers to keep gas and electric utility services in spite of their financial situation. Nevertheless, a number of Ohio citizens will enter the winter season without utility service for heating purposes, particularly in light of the state of the economy in Ohio. This, we find, constitutes a continuing emergency. Therefore, in order to prevent injury to the interests of the public, we hereby direct, pursuant to the authority provided by Section 4909.16, Revised Code, the gas, natural gas, and the electric utilities under our jurisdiction to reconnect the services of those who have had their services disconnected for nonpayment provided that the person seeking to have service restored does all of the following:

- (1) Pays his/her arrearages as set forth in Rule 4901:1-18-06(A), O.A.C.; or cures any default he/she may have incurred on a

¹ Rule 4901:1-18-05, Ohio Administrative Code (O.A.C.).

standard payment plan provided pursuant to paragraphs (A) or (B) of Rule 4901:1-18-04, O.A.C., if the customer is on such a plan; or pays \$175.00, whichever is less (funds for this payment may come in whole or in part from the Emergency Home Energy Assistance Program (E-HEAP) or other energy assistance programs). If both the customer's gas and electric services have been disconnected for nonpayment and different companies provide these services, the companies involved may come to an agreement as to the apportionment of the \$175.00 between them. If an agreement can not be reached, the companies shall apportion the \$175.00 based upon a ratio of the arrearages the customer owes each company. If the same company provides both of these services, then the \$175.00 should be apportioned based upon a ratio of the arrearages the customer owes for each service.

The \$175.00 payment includes any security deposit a utility may require. The utility may add the company's approved tariff reconnection charge to this amount up to \$36.00. If the company's approved tariff reconnection charge is greater than \$36.00, the balance of the reconnection charge may be billed to the customer the following month.

Customers who have had their gas and/or electric services disconnected for a fraudulent practice shall have that service reconnected upon payment for the amount of service obtained fraudulently, plus any investigation fee charged pursuant to the company's approved tariff, plus any defaulted amount not to exceed \$175.00, plus the company's approved tariff reconnection charge up to \$36.00. If the company's approved tariff reconnection charge is greater than \$36.00, the balance of the reconnection charge may be billed to the customer the following month.

- (2) Applies for the regular Home Energy Assistance Program (HEAP). A gas, natural gas, or electric utility may require the person seeking restoration of service to represent, either orally or in a written statement, that the person has applied for this program before it restores service to anyone who cannot pay his/her total utility bill. If the application period for an assistance program has lapsed or has not yet begun, it is not necessary for the person seeking to have service restored to show that he/she has applied for that specific program.

- (3) Enrolls in one of the following:
- (a) A standard extended payment plan provided for in Rule 4901:1-18-04(A), O.A.C.
 - (b) The PIPP program, if eligible, as set out in Rule 4901:1-18-04(B), O.A.C.
 - (c) A plan offered by the gas or electric company, whichever is the most appropriate for the customer, provided, of course, that the customer will ultimately be able to maintain service.

Special Maintenance of Service Procedures/Winter 2009-2010

Further, in order to prevent injury to the interests of the public, we hereby direct, pursuant to the authority provided by Section 4909.16, Revised Code, the gas, natural gas, and the electric utilities under our jurisdiction to maintain the service of those who have received a notice that their service is to be disconnected for non-payment, provided that the customer seeking to have service maintained does all of the following:

- (1) Cures any default he/she may have incurred on a standard payment plan provided pursuant to paragraphs (A) or (B) of Rule 4901:1-18-04, O.A.C., if the customer is on such a plan, or pays \$175.00, whichever is less (funds for this payment may come in whole or in part from E-HEAP or other energy assistance programs). If both the customer's gas and electric services are at risk for disconnection due to nonpayment and different companies provide these services, the companies involved may come to agreement as to the apportionment of the \$175.00 between them. If agreement is not possible, the companies shall apportion the \$175.00 based upon a ratio of the arrearages the person owes each company. If the same company provides both of these services, then the \$175.00 should be apportioned based upon a ratio of the arrearages the person owes for each service.

The \$175.00 payment includes any security deposit a utility may require.

The act of a customer who makes payment by check to avoid the disconnection of his/her gas and/or electric service immediately prior to the start of the special winter heating procedures, and whose check is then returned for insufficient

funds after the special procedures are in effect, will be considered a fraudulent practice. Customers under these specific circumstances shall be able to avoid disconnection by paying the amount of the returned check, plus the company's tariffed return check charge(s), plus any defaulted amount not to exceed \$175.00 prior to disconnection. If the customer's gas and/or electric service are disconnected, then the previous section, Special Reconnection Procedures, paragraph (1), for disconnection due to a fraudulent practice, will apply.

- (2) Applies for HEAP and/or E-HEAP, if eligible. The utility shall accept the statement (oral or in writing) of the person seeking to maintain service that such application has been made. The gas, natural gas, or electric utility shall grant customers who have scheduled an appointment in order to apply for HEAP/E-HEAP assistance a reprieve from disconnection until five business days after the appointment. The E-HEAP/HEAP appointment shall be confirmed by fax or electronic communication sent by a community action agency to the gas, natural gas, or electric utility. If the utility has not received confirmation of an E-HEAP/HEAP benefit by the start of the sixth business day following the customer's appointment, the utility may proceed with disconnection. The community action agency shall also notify the utility daily by fax or electronic communication concerning any missed appointments. As confirmed by fax or electronic communication sent by a community action agency to a gas, natural gas, or electric utility, if the customer misses his/her appointment with the local community action agency, the utility may proceed with disconnection.
- (3) Enrolls in one of the following:
 - (a) A standard extended payment plan provided for in Rule 4901:1-18-04(A), O.A.C.
 - (b) The PIPP program, if eligible, as set out in Rule 4901:1-18-04(B), O.A.C.
 - (c) A plan offered by the gas or electric distribution company, whichever is the most appropriate for the customer, provided, of course, that he/she will ultimately be able to maintain service.

Other Special Procedures:

In this section, we address and clarify the other special procedures that support the procedures discussed above for the 2009-2010 winter heating season.

1. Customer notification of special reconnection procedures.

Each utility should communicate in writing, by bill insert, or any other form of customer communication, to those customers whose service continues to be disconnected because of nonpayment, the fact that they can have their service restored and the procedures set forth by the Commission herein. These special reconnection procedures shall become effective no later than Monday, October 19, 2009. If this Commission determines that a utility is not following these procedures, we will take those steps we deem appropriate to protect the customers served by that utility.

2. Customers requesting service at a new address and who have an outstanding balance.

Customers who are requesting service at a new address and have an outstanding balance with the company can establish new service upon payment of \$175.00. The customer must also enter into a payment arrangement on the balance, in either one of the standard extended payment plans provided for in Rule 4901:1-18-04(A), O.A.C., or if eligible, in the PIPP program as set out in Rule 4901:1-18-04(B), O.A.C., whichever is the most appropriate for the customer.

3. Customers requesting new service with no previous outstanding balance.

Customers who are requesting new service with no previous balance may establish new service upon payment of \$175.00, in lieu of paying the required security deposit, if the required security deposit would be more than \$175.00. When the customer elects this option, the company may add the remaining balance of the required security deposit to the customer's next bill. If the required security deposit is less than \$175.00, the utility shall not count the customer's payment of the lesser amount as the customer's one-time use of the special reconnection procedures described above.

4. Customers with multiple residential accounts.

Customers with multiple residential accounts who wish to utilize the winter reconnection order to maintain or reconnect service may do so only at the property where the customer resides. In addition to payment of \$175.00 to maintain or reconnect service, the customer must enter into a payment arrangement on the balance of that residential account, in either a standard extended payment plan provided for in Rule 4901:1-18-04(A),

O.A.C., or, if eligible, in the PIPP program as provided in Rule 4901:1-18-04(B), O.A.C., whichever is the most appropriate for the customer.

5. Company responsibility to inform customers of payment plan options.

Any residential customers who contact the utility concerning disconnection of service or payment arrangements shall be informed of the availability of all the payment plan options provided by the Commission herein and under Rules 4901:1-18-04, 4901:1-18-05, and 4901:1-18-06, O.A.C., as well as other available payment plans and options for financial assistance.

6. Existing PIPP program customers: reconnection and PIPP program arrearage treatment under the special reconnect procedures.

For any existing PIPP program customer² who requests reconnection under these special reconnection procedures, as soon as the \$175.00 payment for reconnection is paid, the utility shall place the remaining unpaid balance into the PIPP program arrearages for that customer, not directly into the company's PIPP rider arrearages, so that the customer can begin making the established PIPP program payment beginning with the next billing cycle, as if it were a new plan, subject to the arrearages already incurred. For PIPP customers disconnected for fraudulent practice, the payments required in the Special Reconnection Procedures section above, paragraph (1), will apply.

7. Existing customers not enrolled in the PIPP program: reconnection and arrearage treatment under the special reconnect procedures.

For any current residential customer, not enrolled in the PIPP program, who requests reconnection under the special reconnection procedures, as soon as the \$175.00 payment for reconnection is paid, the utility shall place the remaining unpaid balance into the arrearages for that customer so that the customer can begin making payment under the terms of the agreed extended payment plan beginning with the next billing cycle, as if it were a new plan, subject to the arrearages already incurred. For customers disconnected for fraudulent practice, the payments required in the Special Reconnection Procedures section above, paragraph (1), will apply. As noted previously, the extended payment plans are described in Rule 4901:1-18-04, O.A.C.

² For purposes of this entry an "existing PIPP program customer" is a customer who is enrolled in the PIPP program on or before the date of this Entry.

8. Existing customers: maintenance or reconnection of service without utilizing the special reconnect procedures.

The Commission notes that the intent of the special reconnection procedures is to permit customers, with an outstanding balance greater than \$175.00, who have been disconnected or who are facing disconnection to pay less than their balance to have their service restored or maintained. Therefore, when an existing residential customer makes a payment of less than \$175.00, which cures any default previously owed to the utility in order to maintain service, or to request reconnection of service, the utility shall not count this payment as the customer's one-time use of the special reconnection procedures described above.

9. Reconnection of service.

The gas, natural gas, or electric utility involved shall reconnect service as described in Rule 4901:1-18-06 (A) and (B)(1), O.A.C.

10. Reconnection charge.

As described in Rule 4901:1-18-06(C), O.A.C., the gas, natural gas, or electric utility involved shall not assess a reconnection charge unless the company has actually disconnected the service.

11. Use of special procedures.

A customer can only use the special procedures in this entry once from Monday, October 19, 2009, through Thursday, April 15, 2010, to: (a) reconnect under the special reconnection procedures, if the service has been disconnected, (b) to avoid disconnection under the special maintenance procedures, or (c) to request connection of new service under the other special procedures.

We recognize that our jurisdiction does not extend to those utilities owned or operated by municipalities, nor do we regulate cooperatives. We hope these essentially self-regulated entities will adopt the program laid out above so that together we can limit the number of Ohioans who will suffer from a lack of heat this winter.

Application for Energy Assistance and Weatherization Programs

Rules 4901:1-18-04(B)(4) and 4901:1-18-04(B)(5), O.A.C., require anyone applying for the PIPP program to also apply for all energy assistance and weatherization programs for which he/she is eligible. Included among these programs is the Home Weatherization Assistance Program (HWAP), the largest weatherization program in the state of Ohio. The

Ohio Department of Development (ODOD) hopes that the HWAP program will result in the increased weatherization of eligible homes, both reducing energy usage and the arrearages accruing to the account of the PIPP customer.

Next, gas, natural gas, and electric utilities, subject to the jurisdiction of this Commission, are to assist ODOD in its effort to contact PIPP customers, by periodically providing ODOD with a list of the names, addresses, and, if available, the telephone numbers of those customers. The utility companies are also to periodically provide ODOD with a list of the names, addresses, and, if available, the telephone numbers of those customers who participated in HEAP, or other energy assistance programs, and who were not also enrolled in the PIPP program. Further, these utilities should provide ODOD with the utility account number; the customer's social security number; the customer's PIPP program status (active or inactive); the usage, the read code, and the meter read date for each month of the previous 12 months; and the total arrearage of each of its current PIPP program customers, and also for HEAP customers, and other energy assistance program customers, who are not enrolled in the PIPP program. These utilities should provide ODOD's Office of Community Services (ODOD-OCS) this information electronically. The utilities should continue to provide the information using the customer information report file layout. The utilities should provide the information to ODOD-OCS on the following quarterly basis: third quarter (ending September 30) by October 31, 2009; fourth quarter (ending December 31) by January 31, 2010; first quarter (ending March 31) by April 30, 2010; and second quarter (ending June 30) by July 31, 2010. In order that there be no confusion on the part of customers, the companies should, to the extent practicable, notify customers applying for the PIPP program that their name, address, social security number, telephone number, consumption data, and total arrearages will be forwarded to ODOD and/or the local agencies that ODOD funds for weatherization program, electric partnership program, and consumer education services.

PIPP program customers are required to apply for weatherization services if they are individually solicited by a provider affiliated with a utility or an ODOD-sponsored weatherization program.

Data Collection

One of the primary reasons the Commission continues to find it necessary to collect data to determine the number of customers using the special procedures is that customers have had their gas and/or electric service disconnected or are facing the impending disconnection of their service for nonpayment as we approach the winter heating season. As the Commission continues to evaluate the reasons for these non-heating season disconnection of service, we need to track the number of customers who have gas and/or electric service reconnected each month, the types of payment plans entered into, and the length of time that customers were without gas and/or electric utility service. To aid us in

making this determination, each gas, natural gas, and electric utility under the Commission's jurisdiction is directed to complete the Special Data Request, attached to this entry as Appendix A, and submit it to Commission Staff at the place and times set forth in the request.

It is, therefore,

ORDERED, That, effective no later than Monday, October 19, 2009, each gas, natural gas, and electric utility under the Commission's jurisdiction shall restore the service of those customers whose gas or electric utility service has been disconnected for nonpayment, in accordance with the terms set out above in the "Special Reconnection Procedures/Winter 2009-2010" section. It is, further,

ORDERED, That, effective no later than Monday, October 19, 2009, each gas, natural gas, and electric utility under the Commission's jurisdiction shall maintain the service of those customers who have received a notice that their service is to be disconnected for nonpayment, in accordance with the terms set out above in the "Special Maintenance of Service Procedures/Winter 2009-2010" section. It is, further,

ORDERED, That, effective no later than Monday, October 19, 2009, each gas, natural gas, and electric utility under the Commission's jurisdiction shall establish service for customers who request new service, in accordance with the terms set out above in the "Other Special Procedures" section. It is, further,

ORDERED, That the special procedures in this order to maintain, reconnect, or establish service are available to a customer only once from Monday, October 19, 2009, through Thursday, April 15, 2010. It is, further,

ORDERED, That each gas, natural gas, and electric utility under the Commission's jurisdiction provide, on a timely basis, that data discussed in the paragraph labeled "Application for Energy Assistance and Weatherization Programs," above, to ODOD-OCS. It is, further,

ORDERED, That each gas, natural gas, and electric utility under the Commission's jurisdiction provide the data requested in the Special Data Requests, attached to this entry as Appendix A, at the place and the times set forth in the request. It is, further,

ORDERED, That a copy of this entry be served upon each gas, natural gas, and electric utility, and all other interested person of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO



Alan R. Schriber, Chairman



Paul A. Centolella

Ronda Hartman Fergus

Valerie A. Lemmie

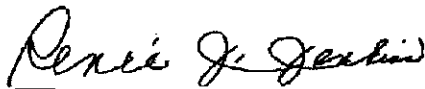


Cheryl L. Roberto

GNS/vrm

Entered in the Journal

SEP 23 2009



Renee J. Jenkins
Secretary

Appendix A

SPECIAL DATA REQUEST

Gas, natural gas, and electric utilities under the jurisdiction of the Public Utilities Commission of Ohio should forward the following information to the attention of Tonja D. Stewart, Public Utilities Commission of Ohio, 180 E. Broad Street, Columbus, Ohio 43215-3793;

- Column 01) Total number of residential customers who avoided disconnection, or re-established service using special reconnect procedures;
- Column 02) Of those in Column one, only those customers that used special reconnect procedures to avoid disconnection;
- Column 03) Of those in Column one, the number participating in the PIPP program;
- Column 04) Of those in Column one, the number on one-third plan or one-sixth plan prior to disconnect;
- Column 05) Of those in Column one, the number not on a payment plan prior to disconnect;
- Column 06) Of those in Column one, only those who signed up for the PIPP program at the time of reconnect or disconnection avoidance, excluding customers already in the PIPP program;
- Column 07) Of those in Column one, only those who signed up for the one-third or one-sixth payment plan at the time of reconnect or disconnection avoidance;
- Column 08) Total dollar amount that would have been required for reconnection of customers in Column one absent the special reconnect procedures;
- Column 09) Of the customers reconnected in Column one, the number disconnected for one week or less;
- Column 10) Of the customers reconnected in Column one, the number disconnected for more than one week but less than 30 days;
- Column 11) Of the customers reconnected in Column one, the number disconnected for 30 days but less than 90 days; and

Column 12) Of the customers reconnected in Column one, the number disconnected for 90 days or more.

It is important that all columns are complete and reported accurately.

The information requested shall include data for the months of October 2009 (starting October 19, 2009), November 2009, December 2009, January 2010, February 2010, March 2010, and April 2010 (through April 15, 2010). This data is due no later than Monday, June 14, 2010. If you have any questions regarding this data request, please contact Tonja D. Stewart at (614) 466-0138. The information should be submitted electronically in an Excel spreadsheet. Please submit to Tonja.Stewart@puc.state.oh.us.