

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Applications of Eastern )  
Natural Gas Company, Pike Natural Gas ) Case No. 09-1039-GA-UNC  
Company, and Southeastern Natural Gas ) Case No. 09-1040-GA-UNC  
Company for Approval of New Bill ) Case No. 09-1041-GA-UNC  
Formats. )

FINDING AND ORDER

The Commission finds:

- (1) Rule 4901:1-13-11, Ohio Administrative Code (O.A.C.), lists the specific information to be provided by natural gas companies on residential gas bills. Rule 4901:1-13-11(D), O.A.C., requires that a company proposing any new bill format shall file its proposed bill format with the Commission for approval. In addition, Paragraph (D) states that an application for a new bill format becomes effective after 45 days, unless the Commission specifically rules otherwise.
- (2) On November 4, 2009, as supplemented on December 15, 2009, Eastern Natural Gas Company, Pike Natural Gas Company, and Southeastern Natural Gas Company (collectively, the Companies) filed applications for approval of new bill formats, in Case Nos. 09-1039-GA-UNC, 09-1040-GA-UNC, and 09-1041-GA-UNC, respectively.
- (3) By entry issued on December 17, 2009, automatic approval of the new bill formats was suspended, on the grounds that additional time was needed to review the applications.
- (4) On December 16, 2009, the Companies filed a motion for a waiver from Rule 4901:1-13-11(B)(13), O.A.C., (Rule (B)(13)) which requires that a customer's bill for natural gas service display the "total charges for the current billing period." In their motion, the Companies explain that their proposed new bill formats include line items for budget balance, deferred balance, or Percentage of Income Payment Plan (PIPP) arrearage charges, as appropriate, as part of the calculation of the "total current charges" owed by a customer. Under the Companies' proposal, "total current charges" would equal the total amount due under the customer's payment plan for that particular bill, not just the charges that have accrued since the last billing period. Therefore, the Companies request a waiver

of the requirement in Rule (B)(13) that a customer bill include a line item listing the "total charges for the current billing period."

According to the Companies, the waiver is only for the customer bill formats for budget, deferred balance, and PIPP customers; the proposed bill formats for customers who do not participate in any of these programs complies with Rule (B)(13), as those bill formats include only gas cost recovery, base rate, and customer charges for the current billing period under "total current charges." The Companies state that, in order to comply with the rule, they would have to add an additional line to their bill formats, and this step would require significant additional programming cost and time. The Companies aver that the additional expense and time make it impossible for the Companies to implement this modification and meet the desired March 2010 rollout of their new letter-size bill formats, which will replace their current postcard bill formats.

The Companies believe that their proposed bill format changes, from limited postcard formats to letter-size formats, will provide a substantial benefit to customers. Furthermore, the Companies note that their proposed bill formats include all other required components and substantially more information than is provided by the Companies' current bill formats.

- (5) On December 30, 2009, the Companies filed a supplemental memorandum in support of the motion for waiver. The memorandum explains the difficulties faced by the Companies in complying with the requirement in Rule (B)(13) that a customer bill include a line item listing the "total charges for the current billing period." The Companies initially note that they voluntarily approached the Commission with the proposed bill format changes, in hopes that they might be able to create benefits for customers at a minimal additional cost. The Companies state that they had hoped to make the change to letter-size bills by employing their existing computer billing system, which is over 20 years old, to create a print file which a third party company then uses to print the bills. The Companies' plan is dependent upon using information in stored fields within the billing system, and that system does not contain a stored field summarizing the total charges for the

current billing period. The Companies state that they would have to hire outside programmers to add an additional stored field to the billing system, if such a change is even possible, and that the resulting expenses would make the proposed bill format changes cost-prohibitive. The Companies note that there is no cost recovery mechanism in place to recover the expenses incurred while shifting from postcard to letter-size billing.

The supplemental memorandum also explains in greater detail the benefits the Companies expect customers to gain from the change to letter-size bills. The Companies note that the letter-size bill will provide customers with a 12-month usage chart, which may assist customers in reducing their gas usage. The letter-size bill will also provide a box for messages allowing the Companies to further explain items on a bill or to provide other information to customers, and will include additional safety information. The letter-size bill will also allow customers to use a direct debit in paying bills, an option which is not currently available, and will include a return envelope with bar coded information allowing the Companies to post payments in a more cost-effective and expedient manner.

- (6) The Commission recognizes that the Companies' proposed new letter-size bill formats offer significant benefits to customers, as compared to the Companies' current postcard bill formats. The Commission also acknowledges that the Companies voluntarily proposed to improve their bill formats and that the Companies maintain that compliance with the requirements of Rule (B)(13) for the proposed bill formats for customers on the budget, deferred balance and PIPP payment plans would make the change to the new letter-size bill formats cost-prohibitive. Given these circumstances, the Commission finds that the Companies' request for a waiver of the requirements of Rule (B)(13) for the proposed bill formats for these specific payment plans is reasonable and should be granted.
- (7) Upon review of the Companies' applications and proposed bill formats, the Commission finds that the applications are reasonable and should be approved.

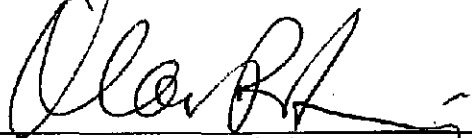
It is, therefore,

ORDERED, That the Companies' motion for a waiver of Rule (B)(13), in accordance with finding (6), be granted. It is, further,

ORDERED, That the Companies' applications for new bill formats be approved. It is, further,

ORDERED, That a copy of this finding and order be served upon all parties of record.

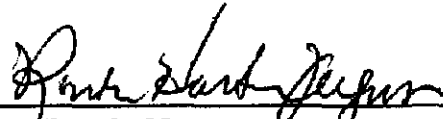
THE PUBLIC UTILITIES COMMISSION OF OHIO



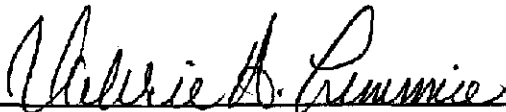
Alan R. Schriber, Chairman



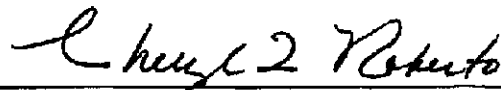
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