

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's )  
Amendment of Rules 4901:1-17-01, 4901:1- ) Case No. 10-2489-AU-ORD  
18-01, 4901:1-18-05 and 4901:1-18-17 of the )  
Ohio Administrative Code. )

ENTRY

The Commission finds:

- (1) On December 17, 2008, the Commission issued its finding and order (Order) in *In the Matter of the Commission's Review of Chapters 4901:1-17 and 4901:1-18 and Rules 4901:1-5-07, 4901:1-10-22, 4901:1-13-11, 4901:1-15-17, 4901:1-21-14, and 4901:1-29-12 of the Ohio Administrative Code*, Case No. 08-723-AU-ORD (08-723) adopting amended and new rules for the establishment of credit for residential service, the disconnection of residential service and the gas Percentage of Income Payment Plan (PIPP).
- (2) In accordance with the provisions of Section 4903.10, Revised Code, numerous interested stakeholders filed applications for rehearing on various aspects of the 08-723 Order.
- (3) By entry on rehearing issued April 1, 2009 (EOR), the Commission granted, in part, and denied, in part, the various applications for rehearing. In the April 1, 2009 EOR, the Commission also addressed seven miscellaneous issues raised in the applications, including the effective date of the rules adopted in Chapters 4901:1-17 and 4901:1-18, Ohio Administrative Code (O.A.C.), including gas PIPP.
- (4) By entry issued June 3, 2009, the Commission recognized the extensive revisions made to the gas PIPP program and the utility companies' requests for 18 to 24 months to program their billing systems. In the June 3, 2009 entry, the Commission also recognized that some time would be needed for utility companies and community action agencies to train their respective employees, and for the public to be educated on the new gas PIPP program. For these reasons, the Commission concluded that the new and amended rules adopted in

Chapters 4901:1-17, and 4901:1-18, O.A.C., including the gas PIPP rules, would be effective November 1, 2010.

- (5) On November 1, 2010, the new PIPP rules, now known as PIPP Plus, were effective.
- (6) The Commission notes that, as a result of amendments adopted in Substitute Senate Bill 162 (SB 162), paragraph (A) of Section 4905.03, Revised Code, was renumbered. Accordingly, the references in Rules 4901:1-17-01(J) and 4901:1-18-01(T), O.A.C., defining an electric light company, a gas company and a natural gas company, water works and sewage disposal service should be revised. Rule 4901:1-17-01(J), O.A.C., shall be revised as follows:

Utility company means all persons, firms, or corporations in the business of providing gas, natural gas, water works, or sewage disposal service to consumers as defined in division (A)(45) of section 4905.03, division (G) of section 4929.01, and divisions (A)(78) and (A)(1314) of section 4905.03 of the Revised Code, respectively. Rules for the establishment of credit for an electric utility company are included in Chapter 4901:1-10 of the Administrative Code.

Rule 4901:1-18-01(T), O.A.C., shall be revised as follows:

Utility company means all persons, firms, or corporations engaged in the business of providing electric, gas, or natural gas service to consumers as defined in division (A)(11) of section 4928.01, division (A)(45) of section 4905.03, and division (G) of section 4929.01 of the Revised Code, respectively.

- (7) In addition to the above revisions, the Commission finds that the references in Rules 4901:1-18-05 and 4901:1-18-17, O.A.C., should be revised to more accurately reflect PIPP Plus enrollment or participation requirements. For this reason, Rule 4901:1-18-17(A), O.A.C., should be revised to read:

The gas or natural gas utility company shall remove a percentage of income payment plan

(PIPP) customer from PIPP when the customer fails to comply with the requirements set forth in paragraphs (B), (C), or (D), ~~or (E)~~ of rule 4901:1-18-12 of the Administrative Code.

- (8) For the same reason Rule 4901:1-18-05(B), O.A.C., should be revised as shown below:

If the customer fails to propose payment terms acceptable to the utility company, the utility company shall then advise the customer of the availability of all of the following extended payment plans and the percentage of income payment plan (PIPP). If a customer requests additional information about PIPP, the utility company shall inform the customer of the eligibility requirements as set forth in paragraph (B) and (C) of rule 4901:1-18-12 of the Administrative Code (gas PIPP) or to Chapter 122:5-3 of the Administrative Code (electric PIPP), and provide the customer with a copy of PIPP literature and direct the customer to the local community action agency.

- (9) Inasmuch as these proposed changes are fairly straight forward, we find that a full comment cycle is unnecessary. Instead, we will adopt the changes in this rule (as reflected in the attachment to this entry) and forward the adopted rules to the Joint Committee on Agency Rule Review, unless we receive an objection in this docket by November 17, 2010. If an objection is filed, we will evaluate it and make any necessary determinations thereafter.
- (10) By initiating this docket, we do not intend to conduct a substantive review of the entire contents of Chapters 4901:1-17 or 4901:1-18, O.A.C. We are interested in simply correcting citations and references in the specific rules set forth above. It is our plan to evaluate the new PIPP Plus program after it has been in effect for two years and to determine if further revisions to PIPP Plus are necessary. Nothing in this current case is intended to circumvent the five-year review required by Section 119.032, Revised Code.

It is, therefore,

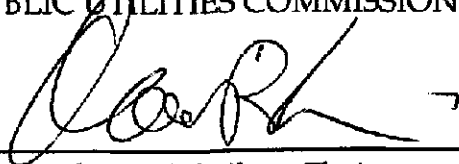
ORDERED, That the attached Rules 4901:1-17-01, 4901:1-18-01, 4901:1-18-05, and 4901:1-18-17, O.A.C., be adopted, provided no objections are received by November 17, 2010. The rules amended and attached hereto shall be posted on the Commission's web site. It is, further,

ORDERED, That, unless an objection is filed by November 17, 2010, a copy of the rules attached to this entry will be filed with the Joint Committee on Agency Rule Review, the Legislative Service Commission, and the Secretary of State, in accordance with divisions (D) and (E) of Section 111.15, Revised Code. It is, further,

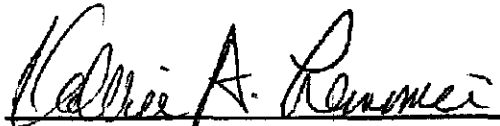
ORDERED, That the adopted rules be effective on the earliest day permitted by law. Unless otherwise ordered by the Commission, the review date for the rules in Chapters 4901:1-17 and 4901:1-18, O.A.C., remains November 30, 2013. It is, further,

ORDERED, That a copy of this entry be served upon all commenters, electric distribution companies, gas or natural gas companies, waterworks and/or sewage disposal companies, Franklin County Department of Job and Family Services, and any other interested persons of record in 08-723.

## THE PUBLIC UTILITIES COMMISSION OF OHIO




Alan R. Schriber, Chairman

  
Paul A. Centolella

Valerie A. Lemmie



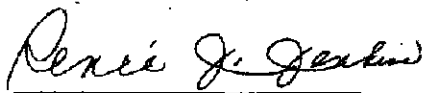
Steven D. Lesser



Cheryl L. Roberto

GNS/vrm

Entered in the Journal

**NOV 10 2010**Renee J. Jenkins  
Secretary

**\*\*\* DRAFT – NOT FOR FILING \*\*\***

4901:1-17-01      **Definitions.**

For purposes of this chapter, the following definitions shall apply:

- (A) "Applicant" means any person who requests or makes application with a utility company for any of the following residential services: gas, natural gas, waterworks, or sewage disposal.
- (B) "Class of service" means a description of utility service furnished to a customer used to denote its use either as residential or nonresidential.
- (C) "Consumer" means any person who is an ultimate user of the gas, natural gas, waterworks, or sewage disposal utility services.
- (D) "Customer" means any person who enters into an agreement, whether by contract or under a tariff, to purchase: gas, natural gas, waterworks, or sewage disposal utility service.
- (E) "Fraudulent act" means an intentional misrepresentation or concealment by the customer or consumer of a material fact that the gas, natural gas, waterworks, or sewage disposal system utility company relies on to its detriment. "Fraudulent act" does not include tampering.
- (F) "Past due" means any utility bill balance that is not paid by the bill due date.
- (G) "Percentage of income payment plan" (PIPP) means the income-based payment plan for low-income, residential customers served by a regulated gas or natural gas utility company.
- (H) "Regulated service" means a service offering regulated by the commission.
- (I) "Tampering" means to interfere with, damage, or by-pass a utility meter, conduit, or attachment with the intent to impede the correct registration of a meter or the proper functions of a conduit or attachment so as to reduce the amount of utility service that is registered on the meter. Tampering includes the unauthorized reconnection of a gas, natural gas, or waterworks meter or a conduit or attachment that has been disconnected by the utility company.
- (J) "Utility company" means all persons, firms, or corporations in the business of providing gas, natural gas, waterworks, or sewage disposal service to consumers as defined in division (A)(45) of section 4905.03, division (G) of section 4929.01, and divisions (A)(78) and (A)(1314) of section 4905.03 of the Revised Code, respectively. Rules for the establishment of credit for an electric utility company are included in Chapter 4901:1-10 of the Administrative Code.

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4901:1-18-01      **Definitions.**

For purposes of this chapter, the following definitions shall apply:

- (A) "Applicant" means any person who requests or makes application with a utility company for any of the following residential services: electric, gas, or natural gas.
- (B) "Arrearages" means for each percentage of income payment plan (PIPP) customer such customer's current bill balance, plus the customer's accrued arrearage at the time the customer enrolls in the PIPP program, but does not include past due monthly PIPP payments.
- (C) "Bona fide dispute" means a complaint registered with the commission's call center or a formal complaint filed with the commission's docketing division.
- (D) "Collection charge" means a tariffed charge assessed to a residential customer by a utility company when payment or proof of payment is given to a utility company employee or agent sent to disconnect the service and who is authorized to accept payment in lieu of disconnection.
- (E) "Commission" means the public utilities commission of Ohio.
- (F) "Consumer" means any person who is an ultimate user of electric, gas, or natural gas utility service.
- (G) "Customer" means any person who enters into an agreement, whether by contract or under a tariff, to purchase: electric, gas, or natural gas utility service.
- (H) "Customer premise" means the service address where the customer receives the residential electric, gas, or natural gas utility service.
- (I) "Default" means the failure to make the required payment on an extended payment plan by the due date.
- (J) "Extended payment plan" means an agreement between the customer and the company that requires the customer to make payments over a set period of time to the company on unpaid amounts owed to the company.
- (K) "Former percentage of income payment plan customer" (former PIPP customer) means a customer that remains within the gas or natural gas utility company's service territory who elects to terminate participation in the percentage of income payment plan program or is no longer eligible to participate in the percentage of income payment plan as a result of an increase in the household income or change in the household size and is not in a graduate percentage of income payment plan.

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- (L) "Fraudulent act" means an intentional misrepresentation or concealment by the customer or consumer of a material fact that the electric, gas, or natural gas utility company relies on to its detriment. "Fraudulent act" does not include tampering.
- (M) "Graduate percentage of income payment plan customer" (graduate PIPP customer) means a customer who was previously enrolled in a percentage of income payment plan and who meets the requirements, as set forth in rule 4901:1-18-16 of the Administrative Code, to participate in the transitional phase of the income-based payment plan for low-income, residential customers served by regulated electric, gas, and natural gas utility companies.
- (N) "Household income" has the meaning attributed to it by the Ohio department of development, office of community services, in the administration of the home energy assistance program.
- (O) "Percentage of income payment plan" (PIPP) means the income-based payment plan for low-income, residential customers served by regulated electric, gas, and natural gas utility companies.
- (P) "PIPP anniversary date" means the calendar date by which the PIPP customer must document his or her household income and household size to continue participation in the PIPP program or participate in the graduate PIPP program. The anniversary date shall be every twelve months from when the customer was enrolled in PIPP.
- (Q) "PIPP customer" means the customer currently enrolled in PIPP.
- (R) "PIPP reverification date" means the actual date on which the PIPP customer documented his or her household income and household size to continue participation in the PIPP program or graduate PIPP program. This date is used to calculate when any missed PIPP payments are due for continued PIPP program participation.
- (S) "Tampering" means to interfere with, damage, or by-pass a utility meter, conduit, or attachment with the intent to impede the correct registration of a meter or the proper functions of a conduit or attachment so as to reduce the amount of utility service that is registered on the meter. Tampering includes the unauthorized reconnection of an electric, gas, or natural gas meter, or a conduit or attachment that has been disconnected by the utility company.
- (T) "Utility company" means all persons, firms, or corporations engaged in the business of providing electric, gas, or natural gas service to consumers as defined in division (A)(11) of section 4928.01, division (A)(45) of section 4905.03, and division (G) of section 4929.01 of the Revised Code, respectively.
- (U) "Winter heating season" means the time period from November first through April fifteenth.



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4901:1-18-05

**Extended payment plans and responsibilities.**

- (A) Upon contact by a customer whose account is delinquent or who desires to avoid a delinquency, the utility company shall inform the customer that it will make reasonable extensions or other extended payment plans appropriate for both the customer and the utility company. If the customer proposes payment terms, the utility company may exercise discretion in the acceptance of the payment terms based upon the account balance, the length of time that the balance has been outstanding, the customer's recent payment history, the reasons why payment has not been made, and any other relevant factors concerning the customer including health, age, and family circumstances.
- (B) If the customer fails to propose payment terms acceptable to the utility company, the utility company shall then advise the customer of the availability of all of the following extended payment plans and the percentage of income payment plan (PIPP). If a customer requests additional information about PIPP, the utility company shall inform the customer of the eligibility requirements as set forth in paragraphs paragraph (B) and (C) of rule 4901:1-18-12 of the Administrative Code (gas PIPP) or to Chapter 122:5-3 of the Administrative Code (electric PIPP), and provide the customer with a copy of PIPP literature and direct the customer to the local community action agency:
- (1) One-sixth plan - A plan that requires six equal payments on the arrearages in addition to full payment of the current bill.
  - (2) One-ninth plan - A plan that requires nine equal monthly payments on the arrearages in addition to a budget payment plan for the projected monthly bills, which will end nine months from the initial payment. The budget portion of the payments may be adjusted periodically during the nine-month period as needed.
  - (3) Winter heating season plan - In addition to the one-sixth and one-ninth plans in this paragraph, during the winter heating season, the utility company shall offer to any customer not on a payment plan, the one-third payment plan for any bills that include any usage occurring from November first to April fifteenth of each year. The one-third plan requires payment of one-third of the balance due each month (arrearages plus the current bill). For any outstanding balance remaining after the last one-third bill has been rendered, the utility company shall remove the customer from the one-third payment plan and shall offer the customer the option to pay the balance, or to enter into one of the other plans in this paragraph, or to enroll in PIPP, provided that he/she meets the qualifications for that PIPP plan.
- (C) A customer who is in default on an agreed-upon extended payment plan in paragraph (A) of this rule shall be offered the payment plans in paragraph (B) of this rule and PIPP, provided that he/she meets the qualifications for that plan. A customer who is

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in default on one of the extended payment plans in paragraph (B) of this rule shall be offered PIPP, provided that he/she meets the qualifications for the PIPP plan. If a customer is having difficulty complying with any payment plan and requests that the utility company review that payment plan, the utility company may agree to modify the payment plan to meet both the customer's and utility company's needs.

- (D) For customers without arrearages, the utility company shall also offer a budget plan (a uniform payment plan).
- (E) If a customer informs the utility company of a medical problem, the utility company shall inform the customer of the medical certification program as provided in paragraph (C) of rule 4901:1-18-06 of the Administrative Code.
- (F) A customer's failure to make any payment under one of the payment plans in paragraph (B) of this rule or PIPP shall entitle the utility company to disconnect service in accordance with the procedures set forth in rule 4901:1-18-06 of the Administrative Code.
- (G) The utility company shall advise the customer, who enters into an extended payment plan, that it will provide the customer with the terms of the plan in writing. The utility company shall also advise the customer that failure to make a payment under the extended payment plan may result in the disconnection of service in accordance with the procedures set forth in rule 4901:1-18-06 of the Administrative Code.
- (H) No utility company shall charge late payment fees to customers that are current on the payment plans identified in paragraph ~~paragraphs~~ (A) or (B) of this rule or PIPP.

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**4901:1-18-17      Removal from or termination of customer participation in the percentage of income payment plan.**

- (A) The gas or natural gas utility company shall remove a percentage of income payment plan (PIPP) customer from PIPP when the customer fails to comply with the requirements set forth in paragraph ~~paragraphs~~ (B~~C~~), (C~~D~~), or (D~~E~~) of rule 4901:1-18-12 of the Administrative Code.
- (B) After removal from PIPP for failure to timely reverify eligibility, the former PIPP customer may re-enroll in PIPP and must make any missed income-based payments to bring the account current.
- (C) If a customer is removed from PIPP for failure to timely reverify eligibility and fails to reverify and re-enroll in PIPP or to qualify for graduate PIPP pursuant to paragraph (D) of rule 4901:1-18-16 of the Administrative Code, the entire account arrearage will become due. The gas or natural gas utility company shall offer the customer an extended payment plan pursuant to paragraph (B) of rule 4901:1-18-05 of the Administrative Code. If the customer fails to make payment under the agreed payment plan, the former PIPP customer's service may be subject to disconnection in accordance with rules 4901:1-18-03 to 4901:1-18-06 of the Administrative Code.
- (D) Fraud. The gas or natural gas utility company shall terminate a customer's participation in PIPP when it is determined that the PIPP customer was fraudulently enrolled in the program. The customer shall be required to pay the gas utility the actual bill for gas that the customer consumed during the period in which the customer was fraudulently enrolled minus previously paid PIPP payments. Any arrearage credits which accrued to the customer's account shall be reversed. The customer shall not be eligible to participate in PIPP, graduate PIPP, or to receive any other benefits available to PIPP customers or graduates for twenty-four months from when the customer is removed from PIPP.
- (E) Any PIPP customer who tampers with the gas or natural gas utility company's meter, metering equipment or other property, or is the beneficiary of such act, shall comply with the requirements of paragraphs (E)(3)(a) to (E)(3)(d) of rule 4901:1-18-03 of the Administrative Code. Furthermore, to clarify the application of paragraph (E)(3)(b) of rule 4901:1-18-03 of the Administrative Code, the amount of the arrearages generated by the unauthorized usage shall be removed from the customer's arrearages and shall be paid by the customer before service is restored. Any usage charges previously credited to the customer as a result of the arrearage crediting program shall be reversed and are also due before service shall be restored.

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4901:1-18-17

**Removal from or termination of customer participation in the percentage of income payment plan.**

- (A) The gas or natural gas utility company shall remove a percentage of income payment plan (PIPP) customer from PIPP when the customer fails to comply with the requirements set forth in ~~paragraph~~ ~~paragraphs~~ (B), (C), or (D) of rule 4901:1-18-12 of the Administrative Code.
- (B) After removal from PIPP for failure to timely reverify eligibility, the former PIPP customer may re-enroll in PIPP and must make any missed income-based payments to bring the account current.
- (C) If a customer is removed from PIPP for failure to timely reverify eligibility and fails to reverify and re-enroll in PIPP or to qualify for graduate PIPP pursuant to paragraph (D) of rule 4901:1-18-16 of the Administrative Code, the entire account arrearage will become due. The gas or natural gas utility company shall offer the customer an extended payment plan pursuant to paragraph (B) of rule 4901:1-18-05 of the Administrative Code. If the customer fails to make payment under the agreed payment plan, the former PIPP customer's service may be subject to disconnection in accordance with rules 4901:1-18-03 to 4901:1-18-06 of the Administrative Code.
- (D) Fraud. The gas or natural gas utility company shall terminate a customer's participation in PIPP when it is determined that the PIPP customer was fraudulently enrolled in the program. The customer shall be required to pay the gas utility the actual bill for gas that the customer consumed during the period in which the customer was fraudulently enrolled minus previously paid PIPP payments. Any arrearage credits which accrued to the customer's account shall be reversed. The customer shall not be eligible to participate in PIPP, graduate PIPP, or to receive any other benefits available to PIPP customers or graduates for twenty-four months from when the customer is removed from PIPP.
- (E) Any PIPP customer who tampers with the gas or natural gas utility company's meter, metering equipment or other property, or is the beneficiary of such act, shall comply with the requirements of paragraphs (E)(3)(a) to (E)(3)(d) of rule 4901:1-18-03 of the Administrative Code. Furthermore, to clarify the application of paragraph (E)(3)(b) of rule 4901:1-18-03 of the Administrative Code, the amount of the arrearages generated by the unauthorized usage shall be removed from the customer's arrearages and shall be paid by the customer before service is restored. Any usage charges previously credited to the customer as a result of the arrearage crediting program shall be reversed and are also due before service shall be restored.