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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the matter on of the Application of Commerce)
Energy, Inc. d/b/a Just Energy for Certification) Case No. 02-1828-GA-CRS
as a Competitive Retail Natural Gas Provider)

**Commerce Energy, Inc. d/b/a/ Just Energy's Quarterly Report to the
Public Utilities Commission of Ohio**

I. Introduction

On August 12, 2010, Commerce Energy Inc. d/b/a Just Energy (The "Company") filed with the Public Utilities Commission of Ohio ("Commission") an Application for Renewal of its Certification as a Competitive Retail Natural Gas Supplier ("Application"). On September 10, 2010, the Commission suspended the automatic renewal process so the Staff could further review the Application. On September 20, 2010, the Staff of the Commission ("Staff") filed a Staff Report outlining the contacts the Commission's call center received regarding the Company's sales agents. On September 30, 2010, the office of the Ohio Consumers' Counsel ("OCC") was granted intervention in the proceeding. On November 4, 2010, the Company, Staff and OCC filed a Joint Stipulation and Recommendation that resolved all of the issues presented in the Staff Report. On November 22, 2010, the Commission issued an Opinion and Order ("Order") approving the Stipulation with limited changes. As part of the Stipulation, the Company agreed to file a quarterly report with the Commission as to the progress in managing the sales force.

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II. Report Requirements Established by the Commission

As part of the Stipulation, the Company was required to implement an “in-State Quality Assurance Program no later than January 1, 2011.”¹ Included in this program were the hiring of quality assurance personnel, retraining of all sales agents, providing and allowing Staff and OCC to review sales agent background check criteria, revising the Company’s Compliance matrix and allowing Staff and OCC to review all sales training materials.² In addition the Stipulation required:

“The Company shall provide a quarterly report to Staff and OCC regarding the progress it has made implementing changes, as identified in paragraph 2 above, to improve the efficiency of the Company’s oversight of its sales force and marketing operations (as a result of this Quality Assurance Program) and resolving issues raised in the Staff Report and this Stipulation. The Company shall also, as part of the quarterly report, tabulate on a monthly basis the number of contracts which were presented to the TPV and number of those contracts which TVP eliminated from further processing as outlined in paragraph 6 above.”³

All of the above information can be found in this report.

III. Company’s Quality Assurance Program.

The Stipulation allowed for a maximum of nine verified complaints from the Local Distribution Companies (“LDC”), the Staff’s call center, the OCC’s call center or the Attorney General’s Consumer Protection Section. If there are 10 or more complaints from those sources in two months of a three month rolling average then the Company would be subject to a settlement payment. As a result of the Stipulation, the Company implemented a number of new policies and procedures. As per the Stipulation, the Company has worked closely with Staff and OCC to manage the number of verified complaints.

¹ Stipulation at page 5

² Stipulation at pages 5-6 (Paragraph 2)

³ Stipulation at page 7

a. Quality Assurance Personnel

First, the Company hired two people to fill the quality assurance ("QA") positions mentioned above; they started with the Company on January 3, 2011. The QA personnel are tasked with overseeing the sales force in the field and monitoring the activities of the sales agents and managers in the office. The comprehensive inspection of both agents and offices will determine where focus is needed on an individual basis and throughout the sales process. The QA personnel are currently auditing the Ohio sales offices and individual agents in the field. The audits are then reviewed by the Sales and Compliance Groups. If the audits are unsatisfactory changes will be implemented by the Internal Audit Department. In addition the QA personnel are tasked with reviewing daily complaint data and discussing the complaint data with both the sales agents and the office managers.

b. Marketing Materials

The Company has also made changes to its marketing material. Prior to the Stipulation the Company included the statements required on an Acknowledgement form⁴; the Company now has a separate Acknowledgement form. In addition the Company removed a portion of its contract that required customers to submit to binding arbitration if a complaint was not resolved. Finally, the Company removed the statement "the contents of Just Energy's marketing materials do not form part of the agreement and were not relied upon by you". These changes were implemented in November 2010.

c. Third Party Verification Procedure

⁴ Per O.A.C 4901:1-29-06(6)(a)

The Company no longer allows sales agents to be at the customer's door during the third party verification ("TPV") process. This process started in November 2010 and has resulted in three agents being present during the TPV calls; all were dealt with per the Company's Compliance Matrix. As part of the Stipulation the Staff requested a monthly breakdown of the of TPV calls which were not processed as a result of the call:

Month	TPV Processed	TPV Not Processed
January		
February		
March		

d. Extended Right to Cancel

The Company has also continued its practice of allowing customers up to 30 days after the issuance of their first bill to cancel the contract without penalty. This allows the customer the ability to see how changing natural gas suppliers will affect them.

e. Senior Program

In January the Company received 4 verified complaints from senior citizens. As a result the Company has instituted a program for seniors older than 70. In an effort to allow the customer more time to review the documentation customers will not be signed up at the door instead the sales agent will give the customer all of the documentation and ask that the customer call the Just Energy toll free customer service number to enroll in the program. These customers will be offered similar products but given more time to consider their decision to switch to the Company.

f. Complaint Levels

The Company has met monthly with Staff and OCC to discuss the complaint levels. The meetings not only discuss the number of complaints but the substance and resolution of the complaints. In fact, the above mentioned Senior Program was a result of discussions with Staff and OCC. The verified complaints have also been reduced each month.

VI. Conclusion

Just Energy appreciates the opportunity to inform the Commission of the progress it has made and looks forward to continuing to working with the Staff on customer issues.

Respectfully Submitted,

Michael Haugh

Michael Haugh *by Stephen M. Howard*
Manager of Regulatory Affairs *per telephone*
6345 Dixie Road *authorization*
Suite 200
Mississauga, Ontario L5T 2E6
(614) 358-0568
mhaugh@justenergy.com