

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application to Modify, :
in Accordance with Section 4929.08, : Case No. 12-1842-GA-EXM
Revised Code, the Exemption Granted to :
The East Ohio Gas Company d/b/a :
Dominion East Ohio in Case No. 07-1224- :
GA-EXM :

**PREFILED TESTIMONY
OF
BARBARA BOSSART
RELIABILITY AND SERVICE ANALYSIS DIVISION
SERVICE MONITORING & ENFORCEMENT DEPARTMENT
PUBLIC UTILITIES COMMISSION OF OHIO**

STAFF EXHIBIT _____

OCTOBER 3, 2012

1 1. Q. Please state your name and business address.

2
3 A. My name is Barbara Bossart. My business address is 180 E. Broad Street,
4 Columbus, Ohio 43215-3793.
5

6 2. Q. By who are you employed?

7 A. I am employed by the Public Utilities Commission of Ohio.
8

9 3. Q. What is your present position with the Public Utilities Commission of Ohio
10 and what are your duties?

11 A. I am a Utility Specialist 2 in the Reliability and Service Analysis Division
12 of the Service Monitoring and Enforcement Department. I am responsible
13 for analyzing service quality performance as well as recommending and
14 enforcing service-quality and consumer-protection policies and rules.
15

16 4. Q. Would you briefly state your education background and work experience.

17 A. I have a bachelor's degree from Marshall University and I have been
18 employed by the Public Utilities Commission of Ohio since 1999. For six
19 years, I worked as an Investigator in the Investigation and Audits Division
20 of the Service Monitoring and Enforcement Department. As an Investi-
21 gator my duties included interacting with the consumers to investigate their
22 concerns about utility companies' policies and practices. I also performed

1 Customer Service Audits to identify customer service issues or non-com-
2 pliance with rules. In May 2005 I was promoted to my current position and
3 duties.

4
5 5. Q. What is the scope of your testimony?

6 A. My testimony is limited to two subjects. First, I will discuss Staff's
7 expectations regarding customer education as it relates to the exit from the
8 merchant function for non-residential customers of East Ohio Gas
9 Company, d/b/a Dominion East Ohio (Dominion or the Company).
10 Second, I will propose the type of information the Commission will need to
11 assess whether a full exit for non-residential customers produces the bene-
12 fits promoted by the suppliers in their testimony,¹ as well as understanding
13 the consequences of a fully-competitive market, before contemplating any
14 further movement toward a full-competitive residential market.²

15
16 6. Q. Why do non-residential customers need to be informed about the
17 Dominion's full exit of the merchant function for non-residential custom-
18 ers?

¹ *In the Matter of the Application to Modify, in Accordance with Section 4929.08, Revised Code, the Exemption Granted to The East Ohio Gas Company d/b/a Dominion East Ohio in Case No. 07-1224-GA-EXM, Case No. 12-1842-GA-EXM (Direct Prepared Testimony of Teresa L. Ringenbach on Behalf of the Retail Energy Supply Association and the Ohio Gas Marketers Group) (September 13, 2012).*

² *Id.* (Joint Motion to Modify Order Granting Exemption at 4) (June 15, 2012).

1 A. Currently, Dominion's tariffs offer commodity service under the Standard
2 Choice Offer (SCO) to choice eligible residential and non-residential cus-
3 tomers. At the present time, non-residential customers have three choices
4 for their natural gas supply. Currently, non-residential customers may
5 choose from: (a) Dominion's tariff SCO; (b) a customer-selected Competi-
6 tive Retail Natural Gas Supplier ("supplier") -; or (c) Governmental Aggre-
7 gation. If the Commission approves Dominion's application, beginning in
8 April 2013 the option for Choice-eligible non-residential customers ("non-
9 residential customers") to receive or select SCO service will be eliminated.

10
11 Non-residential customers currently have the option to remain on
12 Dominion's SCO tariff or to return to SCO tariff service even if they are
13 currently with a supplier. All non-residential customers should be informed
14 that the SCO tariff service will no longer be available to them as an option
15 beginning April 1, 2013. In addition, some customers who have remained
16 on the SCO tariff service may not be familiar with or educated about -
17 Ohio's natural gas choice service or the natural gas commodity market in
18 general. Staff believes educational materials should be provided to non-
19 residential customers in order for them to make a fully informed decision
20 on who should supply their natural gas.

1 7. Q. What type of educational material is staff proposing Dominion provide to it
2 customers?

3 A. Staff recommends that the Commission require Dominion to provide spe-
4 cific education material to all non-residential customers who are currently
5 eligible for SCO tariff service. Staff also recommends that these non-resi-
6 dential customers be provided adequate notice of Dominion's proposed
7 changes. Since it can take up to two billing cycles for a customer's natural
8 gas supplier to be switched, staff believes that it is essential that affect cus-
9 tomer receive at least two notices prior to April 2013.

10

11 8 Q. Why does staff recommend that at least two notices be provide to non-resi-
12 dential customers?

13 A. In addition to the reason stated above, Staff would like to maximize the
14 number of non-residential customers that choose their own supplier of nat-
15 ural gas instead of being automatically assigned to an MVR supplier. The
16 second notice is to provide more detailed information to those customers
17 who have not yet selected their own supplier.

18

19 9. Q. Are there other specific educational materials staff is proposing be sent to
20 non-residential customers?

21 A. Yes. Since Dominion's proposed exit impacts customer understanding of
22 the company's role in providing natural gas service, staff recommends that

1 Dominion work with Staff in developing these materials, including a letter
2 to all non-residential customers, not just those currently in the SCO. In that
3 letter the Company should specifically state:

- 4 • Customers who have not selected a supplier by April 1, 2013
5 will be assigned to an approved Monthly Variable Rate sup-
6 plier (“MVR”)
- 7 • The MVR supplier’s price of gas is not regulated by the Com-
8 mission.
- 9 • The MVR supplier is required to post its rate on the Commis-
10 sion’s Apples to Apples chart.
- 11 • Customers assigned to an MVR supplier may switch to
12 another supplier without penalty.
- 13 • It may take up to two billing cycles to switch a customer’s
14 natural gas supplier.
- 15 • Dominion will supply a list of current supplier’s operating in
16 its service territory or identify where a customer may find
17 such a list.
- 18 • MVR suppliers are required to follow the Commission’s
19 “Minimum Standards for Competitive Retail Natural Gas
20 Service.

- Customer's currently under contract with a supplier will not be impacted by this change.
- Dominion will continue to supply the bill and maintain the natural gas pipes.

10. Q. What type of information does Staff want Dominion to provide to assist the Commission in its review of the consequences of the Company's exit from the merchant function for non-residential customers?

A. In addition to the aggregated non-CRNGS specific rate, usage and customer count information provided to OCC, if the Stipulation and Recommendation is approved, Staff also recommends Dominion provide among other things some of the information proposed by the suppliers in their testimony³ to allow the Commission to better understand the impacts of a fully competitive market such as: whether the number of participating suppliers increases or decreases over the next three years ; the number and type of various supplier offers of new products and services offered to customers (such as value-added service, rate design); customers' participation numbers for those new products and services; the amount of any increase in supplier investment in Ohio (such as community involvement, supplier

³

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1 offices, and number of new employees); specific customer billing deter-
2 minants.

3
4 11. Q. Why is Staff requesting this additional information?

5 A. As stated by the parties in their Joint Motion⁴, the Commission needs to
6 understand “(t)he consequences of a fully-competitive market before there
7 is any further movement toward a fully-competitive residential market⁵.”
8 Staff believes that the information requested above will provide a more
9 comprehensive review of the impacts a fully-competitive non-residential
10 market.

11
12 12. Q. When is Staff requesting Dominion provide all of the above information?

13 A. Within two weeks of the Opinion and Order (“O&O”) in this case, Staff
14 would like to meet with the Company to develop the educational materials.
15 Thereafter within 60 days of the O&O Staff requests Dominion be prepared
16 to discuss with Staff the form and timeline of the information requested
17 above.

18
19

⁴ *In the Matter of the Application to Modify, in Accordance with Section 4929.08, Revised Code, the Exemption Granted to The East Ohio Gas Company d/b/a Dominion East Ohio in Case No. 07-1224-GA-EXM, Case No. 12-1842-GA-EXM (Joint Motion to Modify Order Granting Exemption) (June 15, 2012).*

⁵ *Id.* at 4.

1 13. Q. Does this conclude your testimony?

2 A. Yes, it does. However, I reserve the right to submit supplemental testi-
3 mony as described herein, as new information subsequently becomes avail-
4 able or in response to positions taken by other parties.

PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Prefiled Testimony of Barbara Bossart submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail, upon the following parties of record, this 4th day of October, 2012.

/s/ Stephen A. Reilly

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Summary: Testimony of Barbara Bossart on behalf of the Staff of the Public Utilities Commission of Ohio, submitted by Assistant Attorney General Devin Parram electronically filed by Kimberly L Keeton on behalf of Public Utilities Commission of Ohio