

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review)	
of Chapter 4901:1-10, Ohio Administrative)	Case No. 12-2050-EL-ORD
Code, Regarding Electric Companies.)	

REPLY COMMENTS OF INTERSTATE GAS SUPPLY, INC.

I. INTRODUCTION

Pursuant to the Entry issued on November 7, 2012 ("November 7 Entry") in the above captioned proceeding, Interstate Gas Supply, Inc. ("IGS Energy" or "IGS") respectfully submits these reply comments to the initial comments filed on the proposed changes to the Ohio Administrative Code ("OAC") Chapter 4901:1-10 rules.

In its initial comments IGS requested that the Commission modify the rules to require that utilities offer a purchase of receivables ("POR") program to CRES suppliers. IGS also requests that the Commission require customer account numbers to be included in the customer lists provided to customers. Finally IGS, in joint comments filed with Hull & Associates, requested that the net metering rules be modified to clarify that reciprocating engine technology can receive net metering service from the utility. IGS would like to reiterate these proposed rule modifications filed in its initial comments on January 7, 2013. In addition, IGS submits the following responses to the comments filed by other parties in this proceeding.

An absence of a response to the proposed rule changes in no way indicates IGS' support of, or opposition to, those rule changes.

II. REPLY COMMENTS

A. Customer Energy Usage Data Should be Available to CRES Suppliers

In its initial comments OCC proposes to eliminate the exceptions to Staff's proposed rule that customer data shall not be disclosed without the customer's affirmative consent, including the exception that allows for disclosure of energy usage data when providing retail electric service.¹ While IGS appreciates concerns germane to customer privacy, OCC's proposed rule changes would severely limit the way CRES providers currently operate, and restrict the products CRES providers can offer to customers. These restrictive consequences are even more accentuated in an environment where POR programs are not offered to CRES providers.

The current OAC 4901:10-29(E) provides that electric utilities shall make available eligible-customer lists to CRES providers that include, among other things, the customer's rate schedule, load profile reference category, meter type, interval meter data indicator, meter read date or schedule, and historical consumption data. This customer data is essential for CRES providers to offer and tailor electric service products to customers and to enroll new customers. The changes OCC is proposing to the rules squarely contradict the current OAC 4901:10-29(E) which requires customer energy data to be made available to CRES providers.

Requiring affirmative customer consent to receive customer energy usage data would also severely restrict the services and functions provided by CRES

¹ Comments of the Office of the Consumer's Counsel, at 18-21, 28-19 (Jan 7, 2013) Case No 12-2050-EL-ORD.

providers, including marketing, tracking of customer accounts and collections. For instance, in circumstances when a customer is past due on an account, CRES providers need the customer's usage information to begin collecting on that account. Further, the availability of energy usage data is useful and often necessary to offer certain products to customers, including time differentiated pricing, demand response and energy efficiency.

Throughout its comments OCC alludes to potential harm to customers that could result from disclosure of energy usage data; however, OCC does not specify how parties authorized to receive customer energy usage data could use the data to the customer's detriment, nor does OCC explain why abuses are likely to occur. Further, OAC 4901:1-10-24(F) offers customers protection if they do not want their energy data made available to CRES providers by requiring utilities to notify customers quarterly that their electric usage data will be made available to CRES providers and gives customers the option of opting out of the customer lists.

In its proposed rule changes, OCC also proposes to require that privacy impact assessments be performed each time customer data is disclosed.² There is no clear benefit to requiring privacy impact assessments when customer data is disclosed. Privacy impact assessments will add costs to serve customers and ultimately increase the price customers must pay.

For these reasons, the Commission should not accept OCC's proposed changes to OAC 4901:1-10-12(F) and 4901:1-10-24(E). Also, the Commission should clarify that Staff's proposed changes to OAC 4901:1-10-12(F) and

² Id.

4901:1-10-24(E) do not apply to the data available to CRES providers required in OAC 4901:10-29(E).

B. Restrictive Provisions Should not be Added to the Net Metering Rules

A number of parties propose rules in OAC 4901:1-10-28 that would place constraints on net metering, which would ultimately hinder the development of distributed generation, including combined heat and power systems. For instance Dayton Power and Light (DP&L”) proposes that customers must pay the utilities base distribution rate for all electricity delivered back into the system on the grounds that customer generators are not paying for the use of the utilities electric distribution system.³ First, customer generators are already paying for the use of the electric distribution system through costly standby tariffs and through distribution charges when customers receive electricity through the system. In addition, customer generators do not receive credit for the benefit they are providing to the system including reducing congestion during constrained periods.

Ohio Power Company (“AEP”) also proposes changes to the net metering rules that are arbitrary and overly restrictive. AEP proposes limiting on-site commercial and residential generators from generating only 105% and 110% respectively of their total generation needs in order to be eligible for net metering.⁴ AEP also proposes allowing utilities to charge customers

³ Comments of Dayton Power & Light Company, 21-22 (Jan 7, 2013) Case No 12-2050-EL-ORD.

⁴ Comments of Ohio Power Company, at 15 (Jan 7, 2013) Case No 12-2050-EL-ORD.

reprogramming fees to fix net metering.⁵ Both of these proposals will make it less economical to develop distributed generation and combined heat and power systems.

The Commission should not adopt the proposals made by DP&L and AEP that restrict access to net metering. Customer generators are essential to Ohio's energy future, and the Commission should continue the policy of fostering on-site generation development.

C. Rule Changes Should be Made to Remove the Unnecessary Barriers to Customer Shopping

A number of parties proposed rule changes that will benefit customers and the competitive market. FirstEnergy Solutions ("FES") proposes adopting a rule to prohibit utilities from reverting shopping customers back to the utility default service rate once that customer becomes delinquent on their utility bill.⁶ IGS agrees with FES in that it should be the CRES supplier's choice to determine whether it continues to serve a late paying customer, and there is no reason to require that customers be returned to the utility once the customer is past due. FES also proposes requiring utilities to offer budget billing for CRES supplier customers.⁷ IGS supports this rule modification as it will allow shopping customers the ability to receive the same service that is available to default rate customers. IGS also supports FES' proposal to eliminate utility minimum stay

⁵ Id. at 16.

⁶ Comments of FirstEnergy Solutions, at 3 (Jan 7, 2013) Case No 12-2050-EL-ORD.

⁷ Id. at 7.

provisions in that this rule change will eliminate another barrier to developing a competitive electric market in Ohio.⁸

IGS also supports the modifications proposed by Direct Energy to allow for disconnection upon non-payment of CRES charges.⁹ Direct Energy's modification is necessary to ensure CRES suppliers can appropriately manage their collections and receivables. Further, allowing disconnect for non-payment is particularly important if the Commission does not require POR programs to be offered by all utilities. IGS also supports Direct Energy's proposal to require that data from Smart Meters be delivered to CRES suppliers within 48 hours.¹⁰

III. CONCLUSION

IGS respectfully submits the reply comments made herein.

Respectfully submitted

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⁸ Id. at 8.

⁹ Comments of Direct Energy, at 3 (Jan 7, 2013) Case No 12-2050-EL-ORD.

¹⁰ Id. at 4.

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Summary: Reply Comments electronically filed by Mr. Matthew White on behalf of IGS Energy