

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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|-------------------------------|---|------------------------|
| ALLIED ERECTING & DISMANTLING | ) |                        |
| CO., INC.                     | ) |                        |
|                               | ) |                        |
| Complainant,                  | ) | Case No. 07-905-EL-CSS |
|                               | ) |                        |
| v.                            | ) |                        |
|                               | ) |                        |
| OHIO EDISON COMPANY           | ) |                        |
|                               | ) |                        |
| Respondent.                   | ) |                        |

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**REPORT OF FINDINGS OF INTERNAL REVIEW**

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**I. INTRODUCTION**

On August 10, 2007, Allied Erecting & Dismantling Co., Inc. (“Allied”) filed a complaint against Ohio Edison Company (“Ohio Edison”) questioning the validity of charges in a backbilling by Ohio Edison for electric usage during a three-year period from January 2004 through January 2007. On September 11, 2013, the Commission issued an Opinion and Order (“Order”) finding that Ohio Edison failed to obtain an actual reading of Allied’s meter (identified as the 935 meter) once per year as required by Rule 4901:1-10-05(I). The Commission, however, did rule that the backbill was reasonable and ordered Allied to pay the bill over a three year period of time. Ohio Edison did not file an application for rehearing on the Commission’s Order.

As part of the Order, the Commission directed Ohio Edison to:

- Conduct a review of its internal practices, procedures and policies relating to its billing operations for accounts with multiple meters;
- Review its tariff provisions addressing the account and billing system for accuracy; and

- Review its tariff provisions and institute written guidelines and policies for employees to follow regarding any changes to accounts with multiple meters, specifically its obligation to ensure actual meter readings are occurring for accounts with multiple meters.

Last, the Commission ordered Ohio Edison to file a report of its findings with the Commission within 90 days from the date of the Order. Ohio Edison hereby respectfully submits that report.

## **II. ROOT CAUSE OF METER ISSUE**

As an initial matter, it is important to note that the issue with Allied's meter occurred from February 2004 to June 2006. As discussed below, since then, Ohio Edison has implemented several enhancements to its meter reading practices. Allied had six meters servicing its property. As the Commission found, a vehicle had struck a pole, destroying a meter (identified as the 667 meter). At that time, a series of human errors occurred causing, as the Commission found, Ohio Edison to fail to read the 935 meter in accordance with Commission rules.

First, while the 667 meter was destroyed, the meter identified as 935 was not. The work notifications, in error, listed the damaged meter as the 935 meter. Despite that error, an Ohio Edison customer accounting employee did notice a discrepancy and requested a field verification that a new meter was placed in service. Unfortunately, while a field staff representative confirmed that a new meter had replaced the 667 meter, the employee failed to verify that the 935 meter was also still in service causing the accounting employee to remove it from Ohio Edison's billing system. Consequently, the 935 meter was removed from Ohio Edison's billing system sometime in January 2004.

As a result of that human error, the 667 meter and its associated account were removed from Ohio Edison's system and final billed. The new meter that actually

replaced the damaged 667 meter was the 436 meter and that was then erroneously placed in the 935 meter's account. Because there was no record of the 935 meter in Ohio Edison's billing system, Allied was not billed for its electric usage for that meter beginning in January 2004. Pursuant to Ohio Edison's procedure, the 935 meter was discovered when a meter reader observed a meter that was not being read and notified his supervisor, causing the meter to be re-inputted into Ohio Edison's billing system.

Based on its internal investigation, Ohio Edison determined that the root cause of the failure to read Allied's meter to be human error relating to the accuracy of work notifications and field verifications and Ohio Edison's employees' failure to follow company policies and procedures as it relates to meters encountered by meter readers while reading their route.

### **III. REVIEW OF COMPANY POLICIES AND PROCEDURES**

As of September 2013, Ohio Edison has over one million installed meters. Ohio Edison treats multiple metered accounts the same as single metered accounts. Each meter is linked up with a specific account number. Ohio Edison reviewed its internal policies and procedures and tariff provisions related to billing operations and accuracy and found them to be adequate. Due to the root cause of the Allied issue being related to a human error and not a shortcoming of the policies and procedures, Ohio Edison determined that the policies are appropriate and in place, and specifically include the new meter work error policy and the consumption/use on vacant account policy. These policies (described below), that have been in place well before the Order was issued in this case, are adequate and are designed to prevent the type of issue that occurred in this unusual case from happening.

#### **A. New Meter Work Error Policy**

When meter readers encounter a meter in the field that is not listed on his or her route, the meter reader will search to see if it exists. If it is not found, the policy calls for the meter reader to create a new meter record in the handheld (described below) so that he or she can enter the new reading along with the make and size of the new device. Once that occurs, a back office employee will investigate the situation. There are three categories of situations that back office employees are trained to investigate: 1) new meter in the field, meter not found in billing system; 2) new meter in field, device is in billing system but at a different location; 3) new meter in field, device exists in billing system, but not set up for billing. Situation number one is the situation at issue in this case. Had the above procedure been properly followed and executed, the meter would have been discovered, investigated and entered into the billing system.

#### **B. Consumption/Use on Vacant Accounts**

As an additional safeguard to help ensure meters are being properly read, a meter reader is trained to report meters that are listed as inactive or vacant on their handheld, but that are showing consumption. Once reported, a back office employee will investigate the situation, open an account if appropriate, and commence billing the account for any consumption.

### **IV. PROCESS IMPROVEMENTS**

In December 2006, Ohio Edison implemented a new operating system for meter reading called “FieldNet,” which did not exist at the time the Allied issue arose.<sup>1</sup> FieldNet provides several enhancements over the predecessor system. FieldNet is the work management system used by Ohio Edison in the field that contains all open meter

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<sup>1</sup> This technology is uniform throughout all of the FirstEnergy EDUs.

work orders. Meter readers then use handheld devices, input the work orders, and at the end of each business day, the work is inputted into Ohio Edison's billing system. All meters which are assigned to an account in the billing system appear in FieldNet to be read regardless of whether this meter is active or inactive. In addition, when a meter reader discovers a meter in the field that does not appear in the handheld, the meter reader can use the handheld to document this and back office employees will investigate. The meter readers during the time when the Allied issue arose did not have this technology at their disposal to address the situation.

In addition to allowing meter readers to more quickly provide information on meters found in the field, this technology enhances Ohio Edison's ability to better ensure meters are being properly read. For example, accounts that have multiple meters are flagged in FieldNet. Inactive or vacant accounts are also listed so if a meter reader sees in the field that electricity is being consumed on the inactive or vacant account, a work order is produced. As such, this new technology provides additional safeguards that did not exist at the time of the Allied issue.

Last, in an effort to minimize the effect of human error, the root cause of the issue in this case, Ohio Edison, in addition to The Cleveland Electric Illuminating Company and The Toledo Edison Company plans to provide refresher of their meter readers and appropriate back office employees on the above procedures.

## **V. CONCLUSION**

Ohio Edison has investigated the matters as directed by the Commission. Based upon this investigation, as summarized above, Ohio Edison does have adequate policies and procedures in place, as well as new technology that did not exist at the time the

Allied issue arose, to minimize human error related to meter reading. In a further effort to minimize human error, Ohio Edison plans to provide refresher training to the appropriate employees on these policies and procedures.

Respectfully submitted,

/s/ Carrie M. Dunn

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**CERTIFICATE OF SERVICE**

The following document has been electronically filed on the Commission's Docketing Information System and is available to all interested parties.

/s/ Carrie M. Dunn

**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 07-0905-EL-CSS**

Summary: Report of Findings of Internal Review electronically filed by Ms. Carrie M Dunn on behalf of Ohio Edison Company