

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review    )  
of Chapter 4901:1-13 of the Ohio        ) Case No. 13-2225-GA-ORD  
Administrative Code, Regarding Minimum    )  
Gas Service Standards.                        )

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**INITIAL COMMENTS  
  
OF  
  
DUKE ENERGY OHIO, INC.**

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On November 15, 2013, the Public Utilities Commission of Ohio (Commission) issued an entry commencing its five-year review of the rules in O.A.C. Chapter 4901:1-13, relating to minimum gas service standards. Pursuant to that order, a workshop was held on January 14, 2014. The Commission's subsequent entry of February 26, 2014, called for comments on staff's proposed changes to that chapter, with due dates of March 28, 2014, for initial comments, and April 11, 2014, for reply comments. In accordance with the Commission's schedule, Duke Energy Ohio, Inc., (Duke Energy Ohio) respectfully submits its comments.

**Rule 13-03<sup>1</sup>**

New paragraph (E), although essentially moved from O.A.C. 29-04(A), needs some clarification. In its former location, the paragraph addressed natural gas companies, competitive retail natural gas service (CRNGS) suppliers and governmental aggregators. As a result of that broad coverage, the old rule was relatively clear with regard to the matters being addressed for the natural gas companies. In the new location, that is not the case. Specifically, paragraph

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<sup>1</sup> For purposes of readability, rule and chapter numbers will be designated without reference to the agency or division number. In addition, where Staff's proposed revisions result in numbering changes, the new (proposed) numbering is used for reference purposes.

(E)(2) could be interpreted to mean that the regulated utility must keep records to support the Commission's investigation of customer complaints against CRNGS suppliers. The natural gas utility should not have an obligation to be the custodian of records that CRNGS suppliers need. Furthermore, this paragraph should be amended to indicate the period of time that various types of records must be maintained.

#### **13-04**

Paragraph (D)(5) sets forth the requirements to be followed when a meter is tested and found to be outside the specified tolerances. There is, however, no discussion of the possibility that a meter may fully comply with required tolerances. In contrast, the rule applicable to electric meters, O.A.C. 10-05, includes both circumstances. Importantly, for an electric meter that complies with the tolerances, the rule limits the customer to one free testing request every three years. O.A.C. 10-05(F)(4). A similar limitation should apply to gas meter testing.

Also in Rule 13-04, paragraph (D)(5)(c) provides detailed requirements relating to reimbursing customers for any discovered metering inaccuracy that resulted in a customer overpayment. It is, however, also possible for a metering inaccuracy to result in a customer underpayment. The rule should similarly make provision for the means by which a customer must pay for the service already received. Without such parity, other customers will ultimately bear the cost of the underpayment.

Paragraph (F)(1) requires the utility to retain testing records for the longer of two years or until the next test of that meter. As there is no certainty that a given meter will be retested, this rule could easily result in the utility being required to retain testing records for the life of the meter. There is no reason why the Commission or any customer needs access to testing information that is more than two years old. The rule should be modified to require the information to be retained only for two years.

Paragraph (G) of this rule discusses meter reading. Subparagraph (G)(1)(a) requires submission of a company's plan to read all meters at least once a year. Duke Energy Ohio agrees with staff's proposal that such plan should only be submitted for review if it is changed. However, Duke Energy Ohio suggests that the revision be clarified. As it is currently worded, it would require submission of every change, even if absolutely nonsubstantive. Nonsubstantive revisions should be allowed without Staff's review.

Duke Energy Ohio also proposes minor revision of subparagraphs (G)(2) and (G)(3). Each of these sections address billing adjustments, first for residential customers and then for small commercial customers. In many respects these paragraphs are identical. In others, the two differ but it appears that the differences are intended. Duke Energy Ohio questions, however, whether subparagraph (G)(3) should cover "billing problems" while (G)(2) does not. Furthermore, both start the respective time periods on the date when the company remedies "the meter inaccuracy." For the sake of clarity, a broader term or more precise wording should be used, so that the time deadline can be used for the other problems that are covered by the sections.

Subparagraph (G)(8) requires the provision of a confirmation for scheduling a meter reading. In the parenthetical language, the rule explains the nature of such confirmation: "(i.e., order confirmation number, written letter)." As written, it is unclear whether the rule is mandating the means of confirmation or is simply providing two examples. If the latter, the "i.e." should be changed to "e.g."

Finally, Duke Energy Ohio suggests that the Commission consider any other appropriate amendments to ensure that gas metering requirements are coordinated with electric metering requirements, especially as they affect combination utilities.

### **13-05**

Staff proposes, in paragraph (A)(1), to shorten the required timeframe for new service requests from five business days to three. The proposed change would be unreasonably burdensome. While Duke Energy Ohio strives to fulfill new service requests as expeditiously as possible, it will not necessarily be possible to complete 90 percent within three business days. Ohio's Common Sense Initiative requires that the Commission consider, among other things, needlessly burdensome rules. The time requirements should be left unchanged.

Similarly, Staff's proposal would reduce the time for a rescheduled completion date and for reporting the company's failure to meet a minimum service level. Rules 13-05(A)(4) and 13-05(E)(1), respectively. There is no reason to increase the burden on gas companies. These rules should be left unchanged.

Furthermore, paragraph (A)(5) lists a variety of occurrences that excuse a company's failure to meet the time deadlines. Notably, weather is not included in this list. Duke Energy Ohio is not suggesting that "normal" weather should be included, but there is no reason not to allow the utility a delay that is caused by extreme weather occurrences. Duke Energy Ohio therefore suggests that the Commission amend this rule to recognize the impact of such events on a company's ability to provide services on a normally timely basis.

Proposed new paragraph (C)(3)(c) would establish requirements for rescheduling appointments, where the customer failed to respond to a call-ahead process. The new provision would require the utility to offer the customer a new appointment either within 48 hours for an appointment within a four-hour window or on the next day, without a window for arrival time. Duke Energy Ohio is concerned that this requirement may create scheduling conflicts with appointment that had previously been made for other customers. It would be unreasonable for customers who have already failed to keep a scheduled appointment to cause other customers to

suffer any resultant late arrival. Thus, Duke Energy Ohio suggests that rescheduling the customers who missed their appointments should be treated no differently than scheduling any other customer.

Finally, Staff is proposing a change to paragraph (E)(1) with regard to reporting requirements. The current language requires a report to Staff if the company fails to meet the average minimum service level in any calendar year. The proposed revisions would alter the rule to require the report if the minimum level is missed in any two individual months during any 12-month period. This tightened rule is unreasonable. In the event of a harsh winter, such as just experienced, it is highly likely that minimum service levels will not be met during the course of the winter. Without the ability to average, and being forced to consider a rolling twelve-month period, utilities will have to file reports much more often than in the past, as a result of events that are entirely outside of their control. While a company could perhaps address the problem by hiring more employees, this is unlikely to be cost-effective. This rule should be left unchanged.

#### **13-08**

Paragraph (D) of this rule details the notice requirements for disconnecting small commercial service. Subparagraph (D)(2) exempts certain circumstances from those requirements. It specifically lists safety hazards and emergencies. However, in the corresponding electric rule, 10-16(B), the Commission also exempts circumstances involving tampering. As natural gas facilities are certainly no less dangerous than electric facilities, the same exemption should be included in Chapter 13. Although it could be argued that tampering does create a safety hazard and is thus already covered, this circumstance should be clearly spelled out. This revision would then also correspond with the tampering-specific rule, 13-09.

### **13-09**

Paragraph (D) indicates that the utility must retain records to support its decision to disconnect service, in cases of tampering, unauthorized reconnection, or fraud. However, the rule does not specify any time period. After a reasonable holding period, the company should not be required to continue to hold such materials. To require otherwise would be unreasonably burdensome.

### **13-10**

Duke Energy Ohio recognizes that new paragraphs (G) and (H) are proposed to be moved to this location from Chapter 29. However, limited wording changes would be appropriate. In subparagraphs (G)(1) and (G)(3), the appropriate action by the company is to be based on “involvement.” This term is too vague to be the basis for determining proper compliance with rules. The specific types of issues that would require participation and cooperation by the regulated natural gas company should be identified. Furthermore, there is no reason why the regulated entity should limit referral to circumstances when the complaint involves only the CRNGS provider. Rather, subparagraph (G)(3) should require referral to the CRNGS provider in all circumstances.

Subparagraph (H)(2) requires the natural gas company to switch the customer back to regulated sales service without penalty. The rule should also recognize that such a switch may not be the customer’s desire. The company should switch the customer to whatever service or supplier that customer requests. And, to the extent that another party is at fault for the slamming, that party should reimburse the natural gas company for any associated expenses.

### 13-11

This rule addresses billing and payments. The first change that Duke Energy Ohio would suggest is in subparagraph (B)(8), which sets forth the billing determinants that, if applicable, must be displayed. Two of those – the beginning reading and ending reading – are not always possible to obtain. Specifically, where gas meters receive pulse data (*i.e.*, advanced metering infrastructure), the readings are typically calculated based on the interval data and may not be available on the meter itself. This exception has been made for certain smartgrid electric pilots. Similarly, the rule should exempt these meters from the requirement that the bill reflect beginning and ending readings.

Several subparagraphs in 13-11 reference the ability of customers to make payments in person at company offices. However, this is not possible for some companies, as such business offices simply no longer exist. The rule should be more clearly permissive in nature or should be updated as follows:<sup>2</sup>

- (E)(1)(a): Payment options may include, but are not limited to: cash, check, or money order payments in person to ~~the company or a~~ payment agent; check or money order through the mail; check over the telephone; credit card; or electronic money transfers.
- (E)(1)(c): The list of available payment options shall include the name and street address/location of the nearest ~~payment center and/or~~ local authorized agent, and all applicable fees for utilizing the various methods available for payment of customer bills.
- (E)(4): When a customer pays the bill ~~at the gas or natural gas company's business office or~~ to an authorized agent of the company, the payment, including any partial payment, shall be immediately credited to the customer's account where feasible, and, in any event, be credited to the customer's account as of the date received ~~at the business office or by the agent~~. When payment is received at the company's business office through other means, such as by mail or on line, the payment shall be posted immediately upon

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<sup>2</sup> In each of these quoted sections, the Staff's proposed changes are shown as final language and Duke Energy Ohio's suggested revisions are redlined.

receipt to the customer's account, where feasible, and in any event, be credited to the customer's account on the date received.

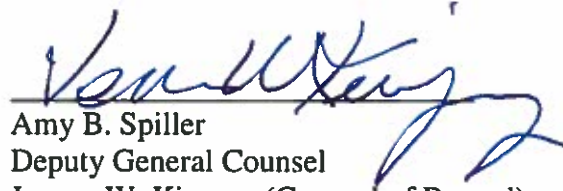
- (E)(6): Each gas or natural gas company shall establish a written policy for ~~its personnel at its business offices and for its~~ authorized agents to handle billing disputes, requests for payment arrangements, and for the reporting of payments made by customers due to their receipt of a disconnection notice, in order to prevent disconnection of service. If such matters cannot be handled by an agent authorized to accept payments, the agent shall provide customers with the gas or natural gas company's local or toll-free telephone number.

Paragraph (G) sets forth partial payment requirements and, with regard to consolidated bills, is proposed to be revised to match the analogous electric rule in 10-33(H). The current rule for partial payments in the gas industry is found in the rules applicable to CRNGS providers, at 29-12(F). The substance of that rule would, based on Staff's proposal, be dramatically altered here. This issue is of critical importance to Duke Energy Ohio, as it is a combination gas and electric company, with most customers receiving a combined gas and electric bill. Thus, it is vital that the gas and electric approaches to partial payments correspond. Duke Energy Ohio therefore appreciates Staff's efforts to ensure parallel treatment. However, the existing waiver held by Duke Energy Ohio, allowing both accounts to be treated in the same manner, specifies that Duke Energy Ohio is to follow the rule that was in place in the gas industry at the time the waiver was approved. Hence, Duke Energy Ohio has for many years been applying partial payments first to past-due natural gas company charges. The technology changes that would be necessary to alter the existing payment priority system would be substantial and costly. No rationale is provided to support such an unreasonably burdensome change. The partial payment priority system should be left unchanged.

Duke Energy Ohio appreciates the opportunity to provide its initial comments to the Commission and respectfully requests that the Commission revise the proposed rules in accordance with the suggestions herein.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

A handwritten signature in blue ink, appearing to read "Jeanne W. Kingery", is written over a horizontal line.

Amy B. Spiller  
Deputy General Counsel  
Jeanne W. Kingery (Counsel of Record)  
Associate General Counsel  
Duke Energy Business Services LLC  
139 East Fourth Street, 1303-Main  
Cincinnati, OH 45202  
(614) 222-1330  
[Amy.Spiller@duke-energy.com](mailto:Amy.Spiller@duke-energy.com)  
[Jeanne.Kingery@duke-energy.com](mailto:Jeanne.Kingery@duke-energy.com)

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

**Commission of Ohio Docketing Information System on**

**3/28/2014 3:54:33 PM**

**in**

**Case No(s). 13-2225-GA-ORD**

Summary: Comments Initial Comments of Duke Energy Ohio, Inc. electronically filed by Carys Cochern on behalf of Kingery, Jeanne W Ms.