BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Commission's Review of Ohio Adm. Code Chapters 4901:1-17 and 4901:1-18

Case No. 19-0052-AU-ORD

COMMENTS OF OHIO EDISON COMPANY, THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, AND THE TOLEDO EDISON COMPANY

Respectfully submitted,

<u>/s/ Emily V. Danford</u> Emily V. Danford (0090747) FIRSTENERGY SERVICE COMPANY 76 South Main Street Akron, OH 44308 (330) 384-5849 edanford@firstenergycorp.com

Attorney for Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company

I. Introduction

Pursuant to the Commission's Entry of June 19, 2019 ("Entry"), Ohio Edison Company ("Ohio Edison"), The Cleveland Electric Illuminating Company ("CEI"), and The Toledo Edison Company ("Toledo Edison") (collectively, the "Companies"), respectfully submit these comments on the Ohio Development Services Agency ("ODSA")'s review of and proposed revisions to the Rules contained in Chapter 122:5-3 of the Ohio Administrative Code (the "OAC") and the Commission's review of and the Commission Staff's proposed revisions to the Rules contained in Chapters 4901:1-17 and 4901:1-18 of the OAC.

The Companies generally support ODSA's proposed amendments to the PIPP Rules in OAC 122:5-3-02 that facilitate increased participation in energy assistance programs by electric customers in Ohio. Removing barriers to re-enrollment following voluntary removal from the program or removal for non-payment is a positive change to these Rules, and the Companies suggest additional language to further facilitate customer participation in the PIPP plus program. The Companies also suggest removing or limiting similar barriers to re-enrollment for customers removed from PIPP plus for failure to timely re-verify their income eligibility in OAC 122:5-3-03. The Companies also propose changes to OAC 4901:1-18-06's procedures for collecting payments in the field on the day of disconnection to protect the safety of the Companies' employees and avoid unnecessary administrative expenses.

The Companies respectfully request the Commission consider their comments and appropriately modify and/or add to the proposed Rules.

II. Comments

A. PIPP Plus Rules for Electric Utility Service

1. OAC Section 122:5-3-02 Criteria for customer eligibility.

The Companies generally support ODSA's proposed changes to OAC Section 122:5-3-02(H). The changes encourage increased participation in energy assistance programs for electric customers in Ohio by removing financial barriers to reenrollment in PIPP plus for customers who leave the PIPP plus program voluntarily or as a result of non-payment. However, the Companies propose adding additional language to clarify that customers who accrue arrearages after leaving the PIPP plus program are not required to cure those arrearages before they are eligible to reenroll in the program. Instead, those arrearages will be added to the customer's arrearage balance upon reenrollment in the PIPP plus program. Because ODSA has proposed changes to this Rule, the Companies' proposed changes are in bold.

... A PIPP plus customer who has ceased to be an active PIPP plus customer as a result of disconnection for non-payment or voluntarily leaving the PIPP plus program shall be ineligible to participate in the PIPP plus program until such customer pays any delinquent amounts through the date the office of community assistance identifies the customer for removal as an active PIPP plus customer, including any past due monthly PIPP plus instalment amounts the installment amount for those months that they were not enrolled in the PIPP plus program, including payments for any months in which the customer was disconnected (not to exceed the account balance), and other charges commission rules permit the utility to impose to reconnect service as provided in rule 4901:1-18-07 of the Administrative Code (or any successor rule of substantially the same effect). The requirement in this rule for a customer to pay delinquent amounts and reconnect charges past due monthly PIPP plus installment amounts owed while the customer was active on PIPP plus and is a condition to re-enroll in the PIPP plus program. Any monthly charges for months the customer was not enrolled in PIPP plus but maintained service (less any payments made by the customer) shall be added to the customer's arrearage balance upon reenrollment in PIPP plus. This rule is not intended and should not be interpreted to prevent any customer from taking advantage of any commission rule or order otherwise available to the customer to maintain or reconnect electric service by paying less than the delinquent amounts and reconnect charges.

2. OAC Section 122:5-3-03 Procedures for verifying customer eligibility.

Customers who have been removed from the PIPP plus program for failure to submit information to verify continuing eligibility for the program as required by OAC 122:5-3-03(C) may face the same or similar financial challenges to re-enrolling in the PIPP plus program as customers who re-enroll following a voluntary departure or departure for non-payment. While ODSA's proposed changes to OAC Section 122:5-3-02(H)(1)(a) help remove a financial barrier to re-enrollment for the latter two categories of customers, OAC Section 122:5-3-03(C)(1) still requires a customer who has been removed from the PIPP plus program for failure to verify their eligibility to cure all missed PIPP plus installment payments *and* monthly charges for any months the customer was not enrolled in the program prior to re-enrolling. While this requirement may incentivize PIPP plus customers to submit their verification information on time, the consequence of failing to do so is higher for non-PIPP electric bills and larger past-due amounts, which creates a barrier to PIPP plus enrollment for customers in need of assistance with their electric bill payments.

To further encourage increased participation in energy assistance programs for electric customers in Ohio, and to align the treatment of this category of customers with those covered by OAC 122:5-3-02(H)(1)(a), the Companies propose the following underlined changes to OAC Section 122:5-3-03(C)(1):

(C) Continuing eligibility.

(1) Annual verification of income eligibility. Income eligibility will be subject to annual verification at or about twelve months from the PIPP plus customer's most recent PIPP plus re-verification date. The director will use reasonable efforts to notify PIPP plus customers in advance of annual verification deadlines. PIPP plus customers will be required to submit then-current application information to the office of community assistance or a local agency. The director shall use such application information to determine continuing income eligibility. Local agencies and electric distribution utilities will cooperate with the director to facilitate the income verification process. If a PIPP plus customer fails to submit information sufficient to verify continuing eligibility within sixty days after the customer's annual verification date, the customer will be ineligible to continue in the PIPP plus program, and the office of community assistance will send the affected utility by electronic data transfer a drop file to remove such customer as an active PIPP plus customer. PIPP plus customers who have been dropped from the PIPP plus program for not meeting the terms of the program, including failure to re-verify their income, may re-enroll in the program after all missed PIPP plus installments have been cured-and monthly charges for any months the customer was not enrolled in the program but maintained services (less any payments made by the customer) have been paid. This includes PIPP plus payments for any months that the customer was disconnected. The amount due shall not exceed the amount of the customer's arrearage. Any monthly charges for months the customer was not enrolled in PIPP plus but maintained service (less any payments made by the customer) shall be added to the customer's arrearages balance upon reenrollment in PIPP plus.

B. Disconnection Rules

1. OAC Section 4901:1-18-06 Disconnection procedures for electric, gas and natural gas utilities.

In keeping with the Companies' commitment to safety, the Companies request certain amendments to OAC 4901:1-18-06 to protect the Companies' employees during the disconnection process. The disconnection procedures outlined in OAC Section 4901:1-18-06 currently require electric distribution utilities to send employees to residences on the day of disconnection of service to provide the customer with personal notice. *See* OAC Section 4901:1-18-06(A)(2). They also give electric distribution utility employees the discretion to make extended payment plan arrangements and authorize those employees to accept payment in the field in lieu of disconnection, dispatch another employee to the customer's residence to collect payment, or provide another option in lieu of disconnection while at the customer's residence. *See* OAC Section 4901:1-18-06(A)(4).

Accepting payment in the field presents risks to the Companies' employees, including potential harm during a theft of cash receipts. It is also an antiquated concept due to customers' ability to pay their bills 24 hours a day, seven days a week on the Companies' website and interactive voice response platform, by telephone, and in-person with numerous payment agents with standard retail hours. Accepting payments in the field is also costly from an administrative perspective because of the special handling and administrative procedures required for handling, depositing, and posting payments to customer accounts.

Given the safety and practical concerns outlined above, and for consistency with the discretion the Rule currently gives electric distribution utility employees with respect to making extended payment plans, the Companies propose the following change to OAC Section 4901:1-18-06(A)(4):

(4) Utility company employees or agents of the utility company who disconnect service at the premises may or may not, at the discretion of the utility company, be authorized to: make extended payment <u>arrangements or dispatch an employee to</u> the premises to accept payment. Utility company employees or agents who disconnect service shall be authorized to complete one of the following:

(a) Accept payment in lieu of disconnection.

(b) Dispatch an employee to the premises to accept payment.

(eb) Make available to the customer another means to avoid disconnection.

III. Conclusion

The Companies appreciate the opportunity to comment on the proposed Rules. The Companies urge the Commission to adopt the Companies' recommendations as set forth in these comments.

Respectfully submitted,

/s/ Emily V. Danford Emily V. Danford (0090747) FIRSTENERGY SERVICE COMPANY 76 South Main Street Akron, OH 44308 (330) 384-5849 edanford@firstenergycorp.com

Attorney for Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on this 19th day of July, 2019. The PUCO's e-filing system will electronically serve notice of the filing of this document on counsel for all parties.

> <u>/s/ Emily V. Danford</u> An Attorney for Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company

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Case No(s). 19-0052-AU-ORD

Summary: Comments of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company electronically filed by Ms. Emily V Danford on behalf of The Cleveland Electric Illuminating Company and Ohio Edison Company and The Toledo Edison Company