

In The Matter of the Commission's)
Review of Ohio Adm. Code Chapters) Case No. 19-52-AU-ORD
4901:1-17 and 4901:1-18)

July 15, 2019

INTRODUCTION

Ohio Partners for Affordable Energy (OPAE) submits the following reply comments regarding the rules being considered in this docket, as well as the rules covering the electric Percentage of Income Payment Plan Plus (PIPP+) issued by the Ohio Development Services Agency (ODSA).

There appears to be a consensus that current rules are barring customers in need from participating in PIPP+. Many parties recognize that the low income customers participating in PIPP+ are generally the poorest of the poor, the majority with incomes under 90% of the federal poverty line (FPL). As noted by the Office of the Ohio Consumers' Counsel (OCC), participants in PIPP+ are currently making over 75% of the required payments, a significant increase from the level of customer payments prior to the development of PIPP+. However, changes in the last rule review required a much higher level of payments when a customer needs to return to the program after leaving either voluntarily or through disconnection. This needs to change. The purpose of the program is to keep customers connected at the lowest reasonable cost. ODSA and various parties offer multiple approaches to ensure PIPP+ is an effective approach to affordability. Placing insurmountable barriers between PIPP+ and customers that need the help is counterproductive and inconsistent with the purpose of the program.

PIPP+ should be viewed as an affordable rate program, rather than a payment plan. Treating the program as a rate program makes it the equivalent of other special rates that are designed to address particular customer needs. Traditionally, electric heat customers have received lower rates in the winter to reflect higher consumption. Another example is economic development rates, which, like PIPP+, recover the delta

revenue from the corporate benefits through riders on all customer bills. Treating PIPP+ as a rate program that a customer qualifies for based on income will simplify administration of the program and minimize the need for special rules.

Section I – Comments on PIPP Plus Rules Contained in Ohio Adm.Code Chapters 4901:1-18 and 122:5-3.

Eligibility Level for PIPP+

Columbia Gas of Ohio (COH) proposes that the Public Utilities Commission of Ohio (PUCO) and ODSA hold a workshop to consider increasing the income eligibility for PIPP+ from 150% FPL to 175% FPL. OPAE appreciates the motivation for this suggestion, but needs to weigh in against such a change. At 175% FPL, a PIPP+ payment for a family of four would be \$5,407.50 annually. This is about \$2,400 more than the average combined gas and electric bill. In order for a family of 4 to have a PIPP+ payment equal to the average bill, the family income would need to be about \$25,000.00 per year, which is roughly the federal poverty line.

Caseworkers at our member agencies work with each family in crisis to develop a payment plan that works for them. Part of that process is helping families that would pay more on PIPP+ stay off of it, using a combination of emergency and regular Home Energy Assistance Program (HEAP) and fuel fund benefits. So long as the payment standard is 6% for natural gas and 6% for electric, there is no need to increase the income scale. If the payment was moved to the state median of 3% of income spent on both gas and electric, then the higher income eligibility would be meaningful for families with incomes above FPL.

Supplier Consolidated Billing

Interstate Gas Supply, Inc. (IGS) proposes modification in the rules to accommodate Supplier Consolidated Billing (SCB), which is currently being piloted. The discussion of the issue is thorough and the suggested solutions appear reasonable. OPAE does not oppose the IGS suggestion for SCB, subject to approval by Staff.

ORC 4901:1-01 and 122:5-3-01 – Definitions

OPAE supports the inclusion of the ODSA definition of “active customer” in the PUCO rules as suggested by OCC.¹ OPAE also recommends the inclusion of the ODSA definition of “former PIPP customers” in the PUCO rules.

ORC 4901:1-18-12 and 122:5-3-02

PIPP+ Applications

One of the features that makes Ohio low income programs so efficient is the use of a single application for PIPP+, HEAP; the Home Weatherization Assistance Program (HWAP); and utility weatherization and fuel fund programs. However, the State application is designed around federal requirements, which include questions that are not required under State programs. Advocates for Basic Legal Equality (ABLE) suggests making an alternative application available for PIPP+ to accommodate customers that may not meet non-income federal requirements. This makes sense. PIPP+ is a program of regulated utilities. Every household receiving regulated utility service pays for PIPP+, and it is logical that anyone paying for the program be eligible if

¹OCC Comments at 12. Signatories to the OCC comments include Advocates for Basic Legal Equality, Inc.; The Legal Aid Society of Cleveland; The Legal Aid Society of Columbus; The Legal Aid Society of Greater Cincinnati; Ohio Poverty Law Center; Pro Seniors, Inc.; and, Southeastern Ohio Legal Services.

she meets the income and other requirements. It may be possible to continue using a single application, but limiting the application to the PIPP+ program when information required for the federal programs is not provided.

A number of parties – The Breathing Association, The Dayton Power & Light Company (DP&L), Duke Energy Ohio (Duke), FirstEnergy, and OCC – all recommend modifying the requirements customers must meet to remain on PIPP, many supporting the proposal included in the draft ODSA regulations to reduce the payment necessary to return to the program after a voluntary departure or disconnection. The Breathing Association urges that the rules for continuing service on natural gas and electric PIPP+ should be the same. OPAE concurs. Differing rules make the programs harder to administer and bring into question the equity issue of charging natural gas customers more to re-up on PIPP+, including missed payments and the default amount, when customers have missed payments, while proposed ODSA rules (and Duke, currently under a waiver) require only repayment of missed PIPP+ payments.

DP&L notes that separate anniversary dates and reverification dates are confusing to customers and cause complications in billing systems. Duke argues that the natural gas and electric rules should be consistent. OPAE concurs with both on those issues. Most of the parties listed above argue that PIPP+ customers should only be required to make up missed payments from when they were on PIPP+ and the monthly PIPP payments for the months the customer was off the program. OPAE contends this is still excessive and is a barrier to customers availing themselves of the affordable rate program.

OPAE's position is that PIPP+ customers that are disconnected should be able to reenroll after making up the PIPP+ payments that they failed to make while connected, and they can also use the winter reconnect order or any other rule to get reconnected. Any remaining arrearages would be rolled into the repayment/crediting program. Customers that voluntarily leave the program should be able to return by making PIPP+ payments, less any payments made during the time out of the program, as recommended by FirstEnergy. FirstEnergy Comments at 3. Customers that have continued to receive service, but have missed payments should be required to pay no more than two of the missed payments with the balance rolled into the repayment/crediting program.

OPAE also supports Duke's position that after a year off PIPP+, a customer should be treated as a new customer. OCC's suggestion that the timeframe to make up missed payments should be extended to 90 days will also contribute to reducing barriers to remain on the program. Likewise, OCC's proposal to amend Sec. 4901:1-18-17(B) to cap any type of repayment to \$25.00/month is consistent with the reason for PIPP+; keeping customers connected by reducing, not increasing, the energy burden these extremely poor families face.

OCC and The Breathing Association both suggest lengthening the timeframe of Graduate PIPP+. As OCC notes, it is in the best interest of the program as a whole to maximize the payments ultimately made to the Universal Service Fund. The suggestion that Graduate PIPP+ be extended to three years should be adopted.

Section II – Non-PIPP Provisions of the PUCO Rules

OAC 4901:1-18-05

Duke requests clarification that its current practice – extending the due date for payments before providing customers with information on payment plans – is acceptable under current regulations. It is not. Duke may have implemented a practice of offering a later payment date initially, instead of payment options, but this is a ‘practice’ that violates regulations and is still a violation. Duke has historically had higher levels of disconnection than other utilities. This may be, in part, because customers who get an extension and fail to make the required payments believe they have no other options and do not call back to find out if other repayment plans are available. The rules make it clear that utilities should work with customers to develop an affordable payment plan, whether it is one of the plans defined in the regulations or something else. Withholding information about the availability of payment plans is a violation of current, and hopefully future, consumer protection rules.

OAC 4901:1-18-06

Time of Disconnection

OPAE continues to oppose pushing back the latest time a customer can be disconnected to 3:30 pm. Such push-back will significantly reduce the time a customer has during the business day to find the money necessary to remain connected. The fact that disconnections and reconnections can be accomplished remotely does not affect what a customer must do to avoid disconnection or get reconnected. Customers need as much time as possible to find the resources to reconnect. The change should

not be accepted by the Commission. The Commission should, however, enact a rule that caps reconnection fees at a level reflecting the reduced costs of remote reconnection.

Electronic Notifications

Duke opines that any waivers of the law requiring personal notice prior to reconnection should only apply to customers who have a certified smart meter. OPAE agrees. Dominion East Ohio and Vectren observe that provisions relating to remote reconnection should only apply to customers using meters that can reconnect remotely. This is obvious, and changes to the rules that raise doubt about this should be clarified.

OAC 4901:1-18-10

DP&L wants to deny services to homes where a customer who once had the utilities in his or her name continues to live. This is absurd, and discriminates against other residents of the property, who should not lose their right to electric or natural gas service just because someone else in the house could not pay the bills. If another resident of the home can take on the responsibility of paying for utilities, a utility should provide the service. Utilities are regulated monopolies with a duty to serve. Customers have nowhere else to turn for service.

AEP argues that the notice provisions of its current waiver be included in the rules, eliminating the personal notice for customers with meters that can disconnect service remotely. DP&L, which has not deployed any smart meters, agrees. While OPAE does not object to making summer and winter notice requirements the same,

OPAE does not believe the regulations should ignore the statutory requirement for a personal notice on the day of disconnection. OPAE notes that AEP has been granted a waiver from the law, a waiver that was recently confirmed. If a personal visit was not required by statute, AEP would not require a waiver. Rules should reflect the statute, which underlies them.

OPAE generally agrees with the points made by Dominion East Ohio and Vectren at Page 3 of their joint comments. The companies offer a good discussion of current notice requirements, concluding that current notice provisions should be retained. OPAE agrees, although OPAE does not object to following winter notice rules year round. Likewise, OPAE supports the request to retain the current approach to noticing customers after the 10-day notice as described in Pages 4-9 of their joint comments. The audit recommendations on which DEO's current notice procedures are based are well-grounded, and the Commission should consider adopting this approach to notices, which the Commission has already sanctioned.

CONCLUSION

Large portions of retail electric and natural gas distribution service are delivered by regulated utilities. Over time, consumer protections have been developed to ensure that electric distribution utilities, as monopolies, and natural gas distribution utilities must serve the public interest as well as the interests of shareholders. Most aspects of utility service are ultimately paid for by ratepayers – shareholders in Ohio are generally not on the hook for much of anything. So, the costs of consumer protection and affordable rates are paid for by ratepayers.

The real question is 'are these ratepayer investments worth the cost?' Creating an affordable rate for the lowest income customers, reasonable notice and disconnection rules, and the ability of customers to regain service despite prior debts, are worth the modest cost to customers. Many things ratepayers pay for in utility rates are of questionable benefit to more than a few select customers. Keeping families, the elderly, and the disabled stable by ensuring access to essential energy services is, on the other hand, advantageous to all customers.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

A copy of these Reply Comments of Ohio Partners for Affordable Energy will be served by the Commission's Docketing Division on all interested persons on this 15th day of August 2019.

/s/ Colleen Mooney, Attorney

Ohio Partners for Affordable Energy

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Summary: Reply Comments electronically filed by Colleen L Mooney on behalf of Ohio Partners for Affordable Energy