# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

| In the Matter of the Commission's Review of  | ) |                         |
|--|---|-------------------------|
| the Minimum Gas Service Standards in         | ) | Case No. 19-1429-GA-ORD |
| Chapter 4901:1-13 of the Ohio Administrative | ) |                         |
| Code.  | ) |                         |

# INITIAL COMMENTS OF DUKE ENERGY OHIO, INC.

On July 8, 2019, 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 August 13, 2019. The Commission's subsequent entry of December 18, 2019, called for comments on staff's proposed changes to that chapter, with due dates of January 17, 2020, for initial comments, and January 31, 2020, for reply comments. In accordance with the Commission's schedule, Duke Energy Ohio, Inc., (Duke Energy Ohio) respectfully submits its comments.

## Rule 13-11(B)(13)<sup>1</sup>

Paragraph (B)(13) of Rule 13-11 sets forth a new "price to compare" statement that must be included on customers' bills.

Duke Energy Ohio has two concerns about this proposed rule change. First, and most importantly, the opening phrase of the statement is incorrect and misleading. It blatantly suggests to the customer that he can "save money by selecting a competitive retail natural gas provider." But there is no evidence or assurance that a competitive service (CRNGS) provider will necessarily

<sup>&</sup>lt;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.

charge less per Mcf than the natural gas utility charges. Nor does state policy, as set forth in R.C. 4929.02, instruct the Commission to promote CRNGS providers' services over those of the natural gas utility. There is simply no reason for this phrase and it should be eliminated.

Furthermore, if the Commission determines that it is appropriate to move forward with a required price-to-compare message, it is important to understand that it may take some time to implement, depending on the timing of approval. Thus, if the Commission approves a change similar to the one proposed by Staff, it should allow a reasonable amount of time for compliance with that change.

## **Rule 13-11(K)**

The draft rules proposed by Staff include a new provision in paragraph (K) that would limit residential bills to natural gas distribution and commodity charges.

Duke Energy Ohio opposes this change for two reasons. First, as a combination utility, the bills issued by the Company include both electric and natural gas charges for the vast majority of customers. It is simply not feasible to limit bills to only natural gas charges. If the Commission decides to adopt this provision, the Company will, of necessity, seek a waiver of the new rule.

Furthermore, Duke Energy Ohio understands that most of its customers prefer to receive fewer bills, not more. Whether the charges being eliminated from a natural gas bill relate to electric utility service, competitive electric providers' commodity services, or other charges, the customer should have the ability to choose whether these items are all included on a single bill. If the customer authorizes the inclusion of something other than natural gas distribution or commodity service, there is no reason that it should be excluded, assuming that the utility in question properly allocates costs and charges the billing entity for that service.

Staff's new paragraph (K) should not be adopted.

#### **Rule 13-12**

Staff's proposed new paragraph (G) is seriously problematic. This provision would require each natural gas utility to allow its customers to "block" any switch to a CRNGS provider. The block, in Staff's approach, could be overridden only by use of a customer-provided PIN.

Depending on the specifics of such a requirement, compliance would likely require substantial technology changes, the cost of which must be considered. Furthermore, such technological changes would certainly take time to create, test, and implement.

The more appropriate way to stop customers from being involuntarily switched is to aggressively monitor the CRNGS market and punish the bad actors.

Similarly, the new provision in paragraph (H), calling for contract portability, will take time and money to implement, as it would involve substantial technological changes and process changes as well. Both of these items would be costly and would take time.

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.

### <u>/s/ Jeanne W. Kingery</u>

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#### **CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing was delivered by U.S. mail (postage prepaid), personal delivery, or electronic mail, on this 17th day of January 2020, to the following parties.

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Summary: Comments Initial Comments of Duke Energy Ohio, Inc. electronically filed by Mrs. Tammy M Meyer on behalf of Duke Energy Ohio Inc. and D'Ascenzo, Rocco and Kinergy, Jean and Vaysman, Larisa