BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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

REPLY COMMENTS OF DUKE ENERGY OHIO, INC.

I. <u>Introduction</u>

Pursuant to the Public Utilities Commission of Ohio (Commission) Entry dated June 19, 2019, Duke Energy Ohio, Inc., (Duke Energy Ohio or Company) respectfully submits these reply comments regarding Ohio Administrative Code (O.A.C.) Chapters 17, 18 and 122, concerning the establishment of credit for residential utility service and the disconnection of residential utility service, and the Percentage of Income Payment Plan (PIPP) Plus program.

II. Comments

O.A.C. 4901:1-18-01(K) – Definitions.

The comments of the Citizen's Coalition suggest altering the percentage payment for certain customers. Duke Energy Ohio has no reply comment with respect to income qualifications, but must point out that changing percentages for different customers would require significant and costly system changes and would be difficult to track. Such a change may also cause customer confusion.

O.A.C.4901:1-18-01(M) – **Definitions.**

The Citizen's Coalition suggests that reasonable limits be placed on amounts that customers are required to pay to recover participation in the PIPP program. Citizen's Coalition recommends that customers be required to pay either three months of the PIPP required payment or \$100.00, whichever is less. Duke Energy Ohio believes that it would be helpful to simplify the PIPP rules, making the program easier for both customers and the Company. However, this too represents something that would require costly system changes in order to change the amounts the customer would need to pay to reinstate on PIPP Plus. Moreover, reducing the amount the customer needs to pay will add to the amount other customers are required to pay to subsidize PIPP customers.

O.A.C.4901:1-18-01(Q) – **Definitions.**

This rule discusses PIPP Plus anniversary dates and related requirements. The Citizen's Coalition notes that customers remain unaware of the program and its requirements. The Citizen's Coalition then recommends that the Commission adopt educational requirements to enhance awareness of the program and the rules.

At present, the Company provides information regarding PIPP rules and requirements on both 14-day notices and 10-day notices that are provided to customers. Likewise, call center representatives are made aware of the requirements so that they can adequately explain them to customers. To the extent additional education is needed, this should be the responsibility of the agencies that administer the programs and provide outreach.

O.A.C.4901:1-18-02 – General Provisions.

This rule provides a mechanism that permits the Commission to make changes to the programs as needed. It permits the Commission to waive requirements, standards or rules in the

chapter for good cause. Removing this language would take away some of the Commission's authority to act. Duke Energy Ohio does not support this change.

$O.A.C.4901:1-18-06 (A) (1) \ - \ Disconnection \ procedures \ for \ electric, \ gas, \ and \ natural \ gas \ utilities.$

The Staff of the Commission (Staff) proposes a change to this rule to allow for disconnection later in the day when remote reconnection is possible. Ohio Partners for Affordable Energy (OPAE) opposes this change and also proposes that where a meter allows for remote reconnection, that reconnection must be accomplished within one hour.

Duke Energy Ohio disagrees with the proposed changes requested by the Office of the Ohio Consumers' Counsel (OCC). The current rule with respect to reconnection is adequate. When a customer makes an appropriate payment to be reconnected, Duke Energy Ohio will work to restore the meter for three hours. If reconnection fails, the Company must send out a vehicle. This can sometimes take more than an hour. Additionally, the Company provides reports to the Commission regarding reconnection and disconnection failures so the Staff can be made aware of any shortcomings that may need to be addressed.

O.A.C. 4901:1-18-06(A)(1) - Disconnection procedures for electric, gas, and natural gas utilities.

Duke Energy Ohio disagrees with the proposed changes requested by the Office of the Ohio Consumers' Counsel (OCC). The current rule with respect to reconnection is adequate. When a customer makes an appropriate payment to be reconnected, Duke Energy Ohio will work to restore the meter for three hours. If reconnection fails, the Company must send out a vehicle. This can sometimes take more than an hour. Additionally, the Company provides reports to the Commission regarding reconnection and disconnection failures so the Staff can be made aware of any shortcomings that may need to be addressed.

Duke Energy Ohio also believes that this rule should be clarified to provide that it applies where meters are installed, certified and in service. Vectren Energy Delivery notes similar concerns in its initial comments and Duke Energy Ohio agrees with Vectren's explanation and suggested clarifications.

$\label{eq:o.a.c.4901:1-18-06} O.A.C.4901:1-18-06 (C)(3)(e) \mbox{ - Disconnection procedures for electric, gas, and natural gas utilities.}$

The Citizen's Coalition argues that when calculating whether a customer has met their PIPP requirements, a "missed" payment due to medical certification should not be used in that calculation. Duke Energy Ohio does not agree with the proposed changes. This goes against the intent of PIPP Plus and on time incentive credits, which is designed to allow manageable installments based on the customer's income while providing incentive credits for on-time and in full payments to reduce the customer's PIPP arrears. The intent of Medical Certificates is to give the customer an extension when threatened by disconnection to allow for more time to make a payment. If the past due installments are forgiven, then the customer would have no need for the use of a medical certificate and would only increase the customers overall arrears passing the burden to the other customers. Additionally, this change would also require significant system changes. This suggestion is a repeat of history. A similar process was enacted earlier when PIPP Plus customers utilized the Winter Reconnect Program. The rule was changed since the burden of clearing the arrears was being passed to the rate payer. The Commission and the Ohio

Development Services Agency should not repeat this error as it has already proven to be bad policy.

O.A.C.4901:1-18-07(B)(1) - Reconnection of service.

The OCC again seeks to create a requirement that the utility reconnect a customer within one hour. For the reasons stated above, this is not a manageable change for Duke Energy Ohio, although indeed, most customers are reconnected within one hour.

O.A.C.4901:1-18-09 - Combination utility companies.

The OCC seeks a change that is directed solely at Duke Energy Ohio since it is the only "combination company" under this rule. The OCC seeks to require Duke Energy Ohio to provide separate account balances on customer's bills and notices.

Duke Energy Ohio does not support this requested amendment. This change would not only be an extremely expensive system change but would also be confusing for customers. Duke Energy Ohio disconnection bills contain both gas and electric services.

Payment priority distributes payments to both utility services. The Company's concern is that customers would not understand how the system works and would pay one past due amount expecting the disconnection to cancel and it would not. However, customers still have the option to call the Company and request to pay either their gas or electric service to keep either utility and ask for a separation of service.

O.A.C. 4901:1-18-10 – Insufficient Reasons for refusing service or for disconnecting service.

In its initial comments the Dayton Power & Light Company recommends an amendment to this provision that strikes "and the new applicant for service continue to be members of the same household," and adds "continues to reside at the premises." Duke Energy Ohio agrees with this recommended amendment. The language without this change would allow members of a particular

household to take advantage of nonpayment and simply change the name of the party on the bill while continuing the same family residency.

O.A.C.4901:1-18-12 - Percentage of income payment plan program eligibility for gas utility service.

OPAE seeks to amend this rule to remove requirements related to customer's responsibilities on their PIPP anniversary date. Duke Energy Ohio does not support this proposed amendment. Not requiring the customer to be current on the anniversary date removes the incentive to pay. Also, the customer should be responsible for making missed PIPP installments/bill changes when the customer is removed for not meeting the terms of the program and maintaining active utility service. Customers who receive the benefits of this program must be responsible to help manage the process so that it benefits the greater good. Removing requirements necessary to ensure proper administration increases costs and thereby increases the burden on the population of customers paying for the program.

The most recent requirements for these parameters were added to the PIPP rules in 2015. Duke Energy Ohio and other utilities invested in making system changes to accommodate the requirements. Changing them now will entail additional cost. Such whipsaw alterations in policy are not helpful to the program.

$\label{eq:one-continuous} O.A.C.4901:18-12(D)(3) \mbox{ - Percentage of income payment plan program eligibility for gas utility service.}$

Duke Energy Ohio has no reply comment but urges the Commission and ODSA to work to simplify the rules when possible. However, it is worth noting that suggested changes would require significant and costly system changes in order to change the amount the customer would need to reinstate on PIPP Plus. Also, reducing the amount the customer needs to pay will increase the burden on other customers.

O.A.C.4901:1-18-15 - General percentage of income payment plan provisions.

OPAE has proposed extensive amendments to this rule. Although Staff had not originally proposed substantive changes, Duke Energy Ohio had earlier commented that these rules should be deleted as they contradict the proposed changes on involuntary removals. Duke Energy Ohio had suggested simplifying PIPP Plus rules by removing voluntary removals and having one set of rules for all PIPP Plus re-enrolls/reinstates.

Rather than delete the rule, OCC proposed amendments that further complicate the rule.

Instead, Duke Energy Ohio proposes that the Post PIPP Program remain a 12-month program. When moving from premises, customers will provide the utility with a final mailing address. However, it is unreasonable to ask the utility to continue to contact the customer for multiple years especially when that address cannot be validated. Also, with the low number of customers who participate in the Post PIPP Program, Duke Energy Ohio does not believe this would be beneficial or used. Instead Duke Energy Ohio requests that Staff make it easier for the customer to re-enroll or reinstate on the program by simplifying the PIPP Plus rules.

O.A.C.4901:1-18-17(B) - Removal from or termination of customer participation in the percentage of income payment plan plus.

OCC seeks an amendment that would specify that the payment amount toward the PIPP arrearages under the extended payment plan not exceed twenty-five dollars plus current changes.

Duke Energy Ohio does not agree with this proposed amendment. The utility companies should

not be restricted in the payment arrangements made with customers. This suggestion contravenes existing Payment Plan rules and it is the intent of Graduate PIPP and Post PIPP to help the customer pay off their outstanding arrears. It also negates the purpose of Grad PIPP and Post PIPP, which are intended to help customers with an outstanding PIPP arrears balance who are no longer income eligible for PIPP or no longer have service with the utility, pay off their arears balance.

O.A.C.122:5-3-01 - Definitions.

OPAE argues that this rule should be amended to change the time required when a customer anniversary date occurs. Duke Energy Ohio believes that holding customers responsible for keeping current on their utility bill has been a positive change for the customer and has changed customer behavior.

O.A.C.122:5-3-02(H)(1) - Criteria for customer eligibility.

Staff did not propose any changes to this rule. However, OCC and OPAE have proposed extensive edits that change the overall payment requirements for PIPP Plus. Duke Energy Ohio has no comment with respect to the proposed changes other than to point out that the changes complicate, rather than simplify the rule. Additionally, the Company would need to make system changes to accommodate the proposed amendments in order to reinstate customers on PIPP Plus. Additionally, reducing the amount a PIPP customer must pay will increase the burden on other customers.

O.A.C.122:5-3-02(H)(1)(b)(i) - Criteria for customer eligibility.

Duke Energy Ohio believes that holding customers responsible for keeping current on their utility bill has been a positive change for the customer and has changed customer behavior.

Duke Energy Ohio suggests making the anniversary date a bill period, month, or bill cycle instead of a specific date. This would make it easier for the customer to understand when they needed to become current to remain on the program."

O.A.C.122-5-3-04 - Payment and crediting arrangements and responsibilities.

OCC requests a change to make the post PIPP program extend out thirty-six months, instead of twelve months. Duke Energy Ohio opposes this change. Post PIPP is not frequently used by customers and it is unreasonable to expect the utility to continue to send communication to an address that cannot be validated.

III. <u>Conclusion</u>

Duke Energy Ohio respectfully submits the above reply comments regarding the rules in Chapters 17, 18 and 122, Ohio Administrative Code and thanks the Commission for inviting comments.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

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CERTIFICATE OF SERVICE

I hereby certify that a copy of these Reply Comments was served on the persons stated below via electronic transmission, this 15th day of August, 2019.

/s/ Elizabeth H. Watts

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