**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

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| In the Matter of the Application of Duke Energy Ohio, Inc., for a Waiver of Specific Sections of the Ohio Administrative Code. | )  )  )  ) | Case No. 22-43-GE-WVR |

**CONSUMER PROTECTION RESPONSE TO DUKE’S PUBLIC INFORMATIONAL FILING REGARDING RESUMPTION OF DISCONNECTIONS FOR NON-PAYMENT**

**BY**

**OFFICE OF THE OHIO CONSUMERS’ COUNSEL**

**AND LEGAL AID SOCIETY OF SOUTHWEST OHIO**

# INTRODUCTION

Duke Energy Ohio (“Duke”) proposed waivers from complying with rules of the Public Utilities Commission of Ohio (“PUCO”) and other credit and collection practices (including that it would not disconnect consumers for non-payment during a four-month period when it was changing its billing system). That was appreciated for protection of electric and gas consumers. Duke converted its customer account information from its legacy customer information systems to a new corporatewide system called “Customer Connect.”[[1]](#footnote-2)

Unfortunately, under Duke’s waivers and suspension of credit and collection practices, consumers can now be harmed by an inability to maintain their electric and/or natural gas services. That is because the number of Duke consumers who could now be behind in payments for their gas and/or electric bills and subject to collection actions could be substantial.

The PUCO’s Order[[2]](#footnote-3) directed Duke to file a plan describing how the utility will resume disconnections for non-payment, provide for notices of disconnection and how it intends to assess late payment charges that were previously suspended as Duke replaced its legacy customer information system (CIS) with its new CIS, Customer Connect.

Duke’s Public Informational Filing[[3]](#footnote-4) reflects Duke’s plan that the utility is resuming placement of disconnection notices on bills on or after June 20, 2022, beginning residential consumer disconnections for non-payment approximately July 17, 2022, and late payment charges assessed beginning on July 1, 2022.[[4]](#footnote-5) To help avoid unnecessary hardship on consumers, the Office of the Ohio Consumers’ Counsel (“OCC”) and the Legal Aid Society of Southwest Ohio, LLC (“LASSO”) encourage Duke to add protections for consumers as the utility resumes its disconnection practices. The following recommendations are for additional protections to help consumers who were affected by Duke’s suspended collections processes.

# RECOMMENDATIONS

## Duke should proactively offer a 12-month extended payment plan on past-due natural gas and/or electric charges for consumers who are considered delinquent and subject to Duke’s disconnection procedures for non-payment.

Under O.A.C. 4901:1-18-05(B), Duke is only obligated to offer a one-sixth extended payment plan or a one-ninth extended payment plan to customers who are ineligible to participate in the Percentage of Income Payment Plan (“PIPP Plus”) program. Under the one-sixth payment plan, customers are required to pay six equal monthly payments on the past-due balance plus their full current bill.[[5]](#footnote-6) Under the one-ninth payment plan, customers are required to pay nine equal payments on the past-due balance and their current budget payment amount.[[6]](#footnote-7)

While the one-sixth or the one-ninth payment plan can provide an affordable alternative to help many consumers avoid disconnection, these plans can also result in unaffordable payments for other consumers. Duke should offer an additional twelve-month payment plan to help consumers who could benefit from the lower monthly payments. Under the twelve-month payment plan being proposed by OCC and LASSO, consumers would pay twelve equal installments of the past due balance along with their current bill.

It is reasonable for Duke to add an offer of a twelve-month payment under these circumstances. Normal disconnection practices were suspended over four months while Duke installed a new CIS. Customers may have unknowingly fallen behind in prioritizing their gas and/or electric payments during this extended period and require additional extended payment plan protections beyond what is strictly required in the PUCO’s rules.

Duke’s resumption of disconnections for non-payment is occurring at the very time that many consumers are still experiencing the impacts of the coronavirus and now have to contend with rising energy prices and inflation. Inflation is causing price hikes in food and practically every other consumer commodity. Additionally, there is the risk to the health of consumers and their families from losing home cooling upon disconnection.

Under Ohio law, a twelve-month payment plan is required for billing consumers for metering inaccuracy or other continuing problems that are under the control of the utility.[[7]](#footnote-8) Given these requirements in Ohio law and the difficult economic times facing consumers, Duke should offer customers the twelve-month payment plan through its new CIS. The PUCO should order Duke to extend the payment plan options that it makes available for consumers to include a twelve-month payment plan.

## Duke should proactively mail 10-day disconnection notices to consumers independent of whether the utility’s attempts to notify consumers via automated phone calls are unsuccessful.

Duke is proposing to mail the ten-day disconnection notices if it is unsuccessful after first trying to contact the consumer through an automated phone call.[[8]](#footnote-9) If the automated phone call is unsuccessful in reaching the customer, the 10-day disconnect notice is sent the next business day.

However, to help ensure consumers have as much notice and information about the pending disconnection as possible, OCC and LASSO recommend that the ten-day disconnection notice be mailed to consumers regardless of the status of any other attempts to reach the customer telephonically.

This added protection is especially important given that the 14-day disconnect notice is embedded on the monthly bill and may not be specifically recognized as being a disconnection notice.[[9]](#footnote-10) Providing a separately mailed ten-day notice with a specific purpose of notifying consumers that their Duke utility service is at risk of being disconnected could be helpful in alerting consumers to make payment arrangements to avoid disconnection.

# CONCLUSION

The PUCO should further protect residential consumers as Duke proposes to resume disconnecting consumers for non-payment of their electric and gas utility bills. OCC and LASSO urge Duke to adopt our consumer protection recommendations.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of this Consumer Protection Response to Duke’s Public Informational Filing Regarding Resumption of Disconnections for Non-Payment was served on the persons stated below via electronic transmission, this 24th day of June 2022.

*/s/ Amy Botschner O’Brien*

Amy Botschner O’Brien

Assistant Consumers’ Counsel

The PUCO’s e-filing system will electronically serve notice of the filing of this document on the following parties:

**SERVICE LIST**

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1. Application for Waiver of Duke Energy Ohio, Inc. (January 18, 2022). [↑](#footnote-ref-2)
2. *In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of a Waiver of Specific Sections of the Ohio Adm. Code*, Case No. 22-43-GE-WVR, Finding and Order (March 23, 2022). [↑](#footnote-ref-3)
3. Public Informational Filing Regarding Resumption of Disconnections for Non-Payment of Duke Energy Ohio, Inc., (“Duke Public Informational Filing”), Case No. 22-43-GE-WVR (June 1, 2022). [↑](#footnote-ref-4)
4. Duke Public Informational Filing at 3 and 4. [↑](#footnote-ref-5)
5. Ohio Adm. Code 4901:1-18-05(B)(1). [↑](#footnote-ref-6)
6. Ohio Adm. Code 4901:1-18-05(B)(2). [↑](#footnote-ref-7)
7. R.C. 4933.28. [↑](#footnote-ref-8)
8. Public Informational Filing at 4. [↑](#footnote-ref-9)
9. *Id*. [↑](#footnote-ref-10)