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BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The  
East Ohio Gas Company d/b/a Dominion  
East Ohio for Certain Waivers of Chapter  
4901:1-13, Ohio Administrative Code

Case No. 06-1452-GA-UNC

APPLICATION

On January 18, 2006, the Public Utilities Commission of Ohio ("Commission") issued an Opinion and Order in which it adopted Minimum Gas Service Standards ("MGSS") in Chapter 4901:1-13, Ohio Administrative Code ("O.A.C."). By Entries on Rehearing dated May 16, 2006, July 12, 2006 and August 23, 2006, the Commission modified certain MGSS rules. The rules are to go into effect January 1, 2007. In this Application, The East Ohio Gas Company d/b/a Dominion East Ohio ("DEO" or "Company"), pursuant to Rule 4901:1-13-02(C) of the MGSS rules, respectfully requests approval for waivers of the following rules:

**Rule 4901:1-13-04(G)(1) (meter reading)**

Rule 4901:1-13-04(G)(1) requires each natural gas company to obtain actual readings of its customer meters at least once every twelve months and make reasonable attempts to obtain such readings every other month. DEO is uniquely challenged to comply with that rule as a result of the 556,000 inside meters installed on its system, of which 373,000 are equipped with remote meter index devices. Under the rule, readings obtained by such devices do not qualify as actual meter readings. Readings obtained from electronic means, such as automated meter reading ("AMR") devices, are considered actual reads under the rule. In conjunction with the meter access plan submitted to the Director of the Commission's Service Monitoring and Enforcement Department, DEO requests Commission approval of a temporary waiver permitting the Company to treat remote index equipment readings as actual readings for purposes of

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complying with the rule. The waiver would apply from the effective date of the MGSS rules until such time as DEO completes the deployment of AMR devices throughout its system, which the Company estimates will take five years. Once DEO completes its systemwide AMR deployment, a waiver will no longer be necessary because the Company will perform actual reads, by electronic means, for every customer every month.

The Company has provided Staff with statistical sampling information regarding the accuracy of remote index equipment installed on its system and intends to replace those types having the highest defect rates with automated meter reading ("AMR") devices over a two-year period beginning in the first quarter of 2007. The Company expects to equip all meters in its service territory with AMR devices within five years. In order to address Staff concerns regarding potential back billing issues associated with remote index devices, the Company has proposed in its meter access plan to hold customers harmless for discrepancies between an actual meter reading and a reading from a remote device.

In a related application, DEO is seeking recovery of certain costs associated with a five-year deployment of AMR equipment throughout its entire service territory. Equipping its entire meter population with AMR over that time frame will ensure that the Company obtains an actual reading on all of its inside meters within a reasonable time frame. DEO will consult with Commission Staff to determine the most appropriate way to deploy AMR across its system and ensure an appropriate focus on inside meters in order to address the most pressing billing and access issues facing the Company and its customers. Taken together, the meter access plan and proposed AMR deployment program substantially mitigate any risks associated with treating remote index equipment readings as actual readings for purposes of complying with the MGSS.

A temporary waiver treating reads from remote index devices as actual reads during the Company's AMR deployment is reasonable and should be approved.

**Rule 4901:1-13-05(A)(3) (pressure test requirement)**

Rule 4901:1-13-05(A)(3) requires natural gas companies to test gas piping downstream of the meter with a service drop installed for a gas appliance prior to initial operation or reestablishing service. In the case of new house lines, or existing house lines where gas service has been off for thirty or more days, a pressure test is to be used. When gas service has been off for less than thirty days, a dial test may be used. DEO requests Commission approval of a permanent waiver of the pressure test requirement for new and existing house lines.

In the case of new construction, a house line pressure test should be performed on the entire house line, not just a portion up to a service drop for an appliance. But that would not happen under Rule 4901:1-13-05(A)(3). Instead, compliance with the rule in many cases would likely entail a pressure test only to a service drop for a temporary space heater before the rest of the house line is even installed. That, of course, could potentially leave much of the house line uninspected.

Rather than require DEO to perform a pressure test of gas piping with a service drop installed, the Company's responsibility should be limited to performing a leakage test (e.g., a meter dial test or survey with gas detection instrument) prior to a DEO representative turning the gas on for new or existing house lines. Prior to occupancy, a building inspector or a certified mechanical inspector working for the building department should verify that the entire line has been properly installed and pressure tested in accordance with International Fuel Gas Code Section 406 or the applicable local building code requirements. This process will ensure that the entire house line is pressure tested, rather than just a portion, by an inspector at the appropriate stage of the construction process. Because most local building codes require such an inspection,

obligating a gas company to perform the same work is a needless duplication of effort whether on new or existing house lines. In the event there is a problem with an existing house line, a dial test or gas detection instrument will provide an appropriate means of detecting it at the time service is transferred. Accordingly, the Commission should grant a permanent waiver of the pressure test requirement in Rule 4901:1-13-05(A)(3).

### **IT-Related Requirements**

DEO has identified a number of changes that must be made to its computer systems in order to comply with the MGSS rules and automate the reporting needed to verify compliance. In most cases, the Company will be able to comply with the rule well before the automated reporting functionality is available. DEO is requesting Commission approval of temporary waivers for the rules and periods identified below to provide the time needed to complete the necessary programming changes. The Company has already completed a number of MGSS-related changes to its computer system, but estimates that over 10,000 more hours of programming will be required to make the remaining changes that are needed. In many cases, it is not possible to have more than one programmer working on a particular part of the program code at the same time. As a result, DEO's ability to accelerate work by devoting more programmers to the effort is limited. DEO has provided its work plan detailing the number of hours by waiver and the associated completion dates to Staff. The Company will provide quarterly reports to Staff regarding the reprogramming efforts until they are completed in order to keep Staff informed of the Company's progress.

### **Rule 4901:1-13-09(C) (disconnect notices for fraudulent practices)**

Rule 4901:1-13-09(C) requires natural gas companies to deliver a written notice to the customer prior to disconnecting service for a fraudulent practice. The business process and programming changes needed to create the notices, generate a new service order type, and

provide and track the proper notification will be complete by September 30, 2007, and the automated reporting capability associated with the changes will be complete by December 31, 2007. Accordingly, DEO request a temporary waiver of Rule 4901-13-09(C) until September 30, 2007, or such time as it completes the necessary programming changes, whichever occurs earlier.

**Rule 4901:1-13-04(D) (notification of meter test results)**

Rule 4901:1-13-04(D) requires natural gas companies to notify customers of applicable charges prior to a meter test and to provide a written explanation of the meter test results within ten business days of its completion. This will also require the Company to reprogram its computer systems. The reprogramming needed to automate the customer communication will be complete by September 30, 2007, and the automated reporting capability associated with the changes will be complete by December 31, 2007. A temporary waiver of Rule 4901-1-13-04(D) should be granted until September 30, 2007, or such time as it completes the necessary programming changes, whichever occurs earlier.

**Rule 4901:1-13-05(A) (new service installations)**

Rule 4901:1-13-05(A) requires ninety percent of residential and small commercial new service requests requiring no installation of gas pipelines to be completed within five business days after the natural gas company has been notified that the customer's service location is ready or by the requested installation date, whichever is later. New services requiring installation of the service line as well as a meter set are to be completed within 20 business days from the customer ready date or by the requested completion date, whichever is later. The rule also requires the company to provide written notification in the event of a delay and specifies certain information that must be included in the notice.

DEO's meter set orders and service line tie orders are currently scheduled and tracked in two separate systems. Programming will be required to integrate the two systems and track service ties and meter sets at a premise level in order to report performance against the standard. Additional system changes are needed to monitor service orders as they approach the requested completion date, automate written communication to the customer, track missed appointments and the associated reason(s), and distinguish between a customer requesting a date later than the required performance window as opposed to an appointment that must be scheduled beyond that window due to a lack of available resources. Programming to provide the above functionality and the associated automated reporting capability will be completed by September 30, 2007. DEO requests a temporary waiver of Rule 4901:1-13-05(A) until that time.

**Rule 4901:1-13-05(C) (notification of unmet appointments)**

Rule 4901:1-13-05(C) requires natural gas companies to reasonably attempt to notify a customer in advance when they are unable to meet a scheduled appointment. Programming is required to automate and document that outbound calling process. DEO requests a temporary waiver of the notification requirement of this rule until it can complete the necessary programming. Such programming will be complete by May 31, 2007, and the automated reporting capability associated with the changes will be complete by September 30, 2007.

**Rules 4901:1-13-04(G)(3) and 4901:1-13-11(B)(26) (notification of payment plans for small commercial customers)**

Rules 4901:1-13-04(G)(3) and 4901:1-13-11(B)(26) require natural gas companies, in cases where they have undercharged a small commercial customer as the result of a metering issue or other factor under the company's control, to provide a specified payment plan for the undercharged amount and to provide a statement on the bill, or in an insert or separate mailing, of the payment arrangement. DEO's billing system does not currently support the creation of

automatic payment arrangements for small commercial accounts. System changes are required to allow accounts to be set up on an automatic payment arrangement and reference it on the bill. Programming changes to meet these requirements will be completed by September 30, 2007, and the automated reporting capability associated with the changes will be complete by November 30, 2007. DEO requests a temporary waiver of the rules requiring it to establish payment plans for small commercial customers until September 30, 2007, or such time as it completes the necessary programming changes, whichever occurs earlier.

On a related issue, DEO will complete the programming needed to identify small commercial customers as defined in Rule 4901:1-13-01(V) by March 31, 2007. As a result, because the Company cannot identify small commercial customers until the necessary programming changes are made, the Company's compliance with any other rules that impose new requirements related to small commercial customers will not be achieved until that time as well. DEO therefore requests a temporary waiver, until March 31, 2007, of any provision of the MGSS rules that relies on the Company's ability to distinguish small commercial customers.

The foregoing waiver requests are both reasonable and necessary. Accordingly, the Company respectfully requests an Order granting this Application and all other necessary and proper relief.

*Mark A. Roth*

ATTORNEYS FOR THE EAST OHIO  
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