May Dugan Center

A multi-service agency on Cleveland's west side

A not-for-profit agency on Cleveland's west side since 1969

08-703-AU-ORD

FILE

March 17, 2008

Alan R. Schriber Chair Public Utilities Commission of Ohio 180 East Broad Street Columbus, Ohio 43215

Re: Upcoming review of Ohio's Laws pertaining to termination of Residential Service of Congression 1997 and 199 (ORC 4901: 1-18 and Establishment of credit for residential service (ORC 4901-1-17)

Dear Chairman Schriber:

On January 31st, a coalition of grassroots community groups (listed below) held a public hearing in Cleveland regarding the upcoming review of termination and credit rules. Attached are a series of recommendations that came out of testimony provided at the hearing and subsequent dialogue with members of the community.

We believe that this document accurately reflects the many concerns that have been expressed and the need for significant change in the current rule structure. We also feel strongly that the PUCO should include state wide public hearings at all stages of this review process. It is critical that we do not shut the average citizen out and allow them to continue to provide input as you consider proposed changes to the current rules.

Sincerely,

Tim Walters Walt

For

The Empowerment Center of Greater Cleveland

Organize Ohio

United Clevelanders Against Poverty

Consumers for Fair Utility Rates

May Dugan Multi-Service Center

Cleveland Tenants Organization

Northeast Ohio Coalition for the Homeless

ACORN

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Recommendations for changes to current disconnect and credit rules

March 14, 2008

Medical exemptions and provisions

- All consumers with Past Due Balances should be informed of the Medical Certification Process. Notification should be as a separate line and/or insert as part of the billing process and verbally when the payment center is contacted regarding the past due amount.
- 2. Medical Certification Forms should include the following provisions that Physicians can check indicating
 - a. a chronic condition that will last longer than 12 months.
 - b. a incapacitating health condition that will continue indefinitely.
- 3. Chronic conditions lasting longer than 12 months should only require yearly recertification.
- 4. Incapacitating health conditions should only require recertification every two years.
- 5. PIPP eligibility should be extended to 200% of poverty to those with chronic and incapacitating health conditions.
- 6. Consumers with medical certification are to be contacted should they enter a possible disconnect situation to determine if the current problem is related to their health condition and if a need to modify their payment plan exists.

Winter Reconnect Order

- 1. Incorporate this into the disconnection rules rather than have a separate rule each year.
- extend its use to twice in a winter season providing there is a 90 day gap between use and the consumer has made at least two payments in that 90 day gap.

Utility Moratorium

1. Prohibit disconnection of essential utility services between Nov. 1st and April 30th for all consumers.

2. That the ODOD and utility companies be required to engage in a comprehensive outreach effort to inform consumers of the moratorium, its specific provisions and options available.

Payment Plans

- 1. Provide 1/12th payment plan-current billing plus 1/12 of past due Balance
- 2. Include provision that payment in addition to current billing can not exceed \$25.00
- 3. Provide a 1/6th outstanding balance plan-1/6th of current billing plus past due amount.
- 4. Provide consumers with the ability to select a payment plan appropriate to individual needs.
- 5. Eliminate late payment fees on amounts associated with a payment plan

Payment Centers

- 1. Require anyone who accepts utility payments to adhere to minimal standards including
 - a. immediate reporting of payment to utility companies.
 - b. Elimination of any additional charges for processing payments
 - c. Display of license or other certification indicating compliance with above
 - d. Fine or other penalty for lack of compliance
- 2. require utility companies to provide payment centers or license payment centers using a formula based upon population.
- 3. Prohibit the use of payday lenders or similar establishments as payment Centers

Deposits

- 1. Deposits should only be required if the consumer has
 - a. not followed 2 or more payment agreements in a 24 month period
 - b. engaged in a illegal action to restore or maintain a utility connection.

- 2. Consumers should be given the option of paying deposits in 12 equal installments.
- 3. A deposit can not be charged if the consumer has consistently maintained their account in good standing.
- 4. A deposit can not be charged as a condition for continuing service where consumers are already receiving service.

PIPP Plan

- 1. Change payment percentages
 - a. 5% gas
 - b. 3% electric
 - c. Maintain payments year-round for all involved utilities
 - d. Payments are not assessed for any period in which service is not being provided.
- 2. Eligibility
 - a. Extend from current 150% for all consumers to 175%
 - b. include all disabled and over age 65.
 - c. Retain upon moving from location where consumer is responsible for heating bill to location where consumer is no longer responsible for heating bill
- 3. Establish an arrearage plan that will enable all customers to reduce or eliminate historical arrearage amounts. Possible plans for consideration in order of preference.
 - a. Apply a single credit to be applied to all active, inactive or terminated PIPP accounts. The credit will be equal to the total accumulated arrearage figure.
 - b. Apply a arrearage forgiveness program that would credit PIPP customers with 1/6 of the historic arrearage forgiveness figure each month that the consumer pays his current PIPP amount.
 - c. Apply an arrearage forgiveness program that would credit PIPP customers with a pre-determine fixed amount each month that the consumer pays his current PIPP amount.
 - d. Once a year, credit the consumer with the full arrearage accumulated by the end of the year, provided that the consumer has paid all PIPP payments for the year.

e. In addition to the above, the consumer will not accrue any additional arrearage for any month in which the regular PIPP payment is made in a timely fashion.

Landlord Tenant

- 1. Tenants will be informed in writing when a landlord is more than 30 days delinquent in any utility payment.
- 2. Notification shall continue until the landlord has resolved any past due amounts.
- 3. Notification shall contain information on any planned action against the landlord including possible disconnection.
- 4. Notification shall include information on the tenants rights, alternatives available to them and a list of possible resources to advise and assist tenants.
- 5. Utility disconnection at a rental property can not occur unless there is evidence that tenants have received a notification of pending disconnection from the involved utilities at least 30 days in advance of the planned disconnect.