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BEFORE

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THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of :
Vectren Energy Delivery of Ohio, Inc., :
for Authority to Amend its Filed Tariffs : Case No. 07-1080-GA-AIR
to Increase the Rates and Charges for Gas :
Services and Related Matters. :

In the Matter of the Application of :
Vectren Energy Delivery of Ohio, Inc., :
for Approval of an Alternative Rate Plan : Case No. 07-1081-GA-ALT
for a Distribution Replacement Rider to :
Recover the Costs of a Program for the :
Accelerated Replacement of Cast Iron :
Mains and Bare Steel Mains and Service :
Lines, a Sales Reconciliation Rider to :
Collect Differences between Actual and :
Approved Revenues, and Inclusion in :
Operating Expenses of the Costs of :
Certain Reliability Programs. :

TESTIMONY

OF

BARBARA J. BOSSART

**PUBLIC UTILITIES COMMISSION OF OHIO
RELIABILITY AND SERVICE ANALYSIS DIVISION OF
THE SERVICE MONITORING AND ENFORCEMENT DEPARTMENT**

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1 1. Q. Please state your name and business address.

2 A. My name is Barbara J. Bossart. My address is 180 E. Broad Street,
3 Columbus, Ohio 43215-3793.

4

5 2. Q. Who is your employer?

6 A. I am employed by the Public Utilities Commission of Ohio.

7

8 3. Q. What is your present position with the Public Utilities Commission of
9 Ohio and what are your duties?

10 A. I am a Utility Specialist 2 in the Reliability and Service Analysis
11 Division of the Service Monitoring and Enforcement Department. I am
12 responsible for analyzing service quality performance as well as
13 recommending and enforcing service-quality and consumer-protection
14 policies and rules for non-competitive gas and electric utilities.

15

16 4. Q. Would you briefly state your educational background and work
17 history?

18 A. I have a bachelors degree from Marshall University and I have been employed
19 by the Public Utilities Commission of Ohio since 1999. For six years, I
20 worked as an Investigator in the Investigation and Audits Division of the
21 Service Monitoring and Enforcement Department. As an Investigator my

1 duties included interacting with the consumers to investigate their concerns
2 about utility companies' policies and practices. I also performed Customer
3 Service Audits to identify customer service issues or non-compliance with
4 Commission rules. In May 2005 I was promoted to my current position and
5 duties.

6
7 5. Q. What is the purpose of your testimony in this case?

8 A. I will be addressing The Ohio Consumers' Counsel's (OCC's) filed objections
9 56, 57, 58, 59, 61, Vectren Energy Delivery of Ohio's (Vectren's) filed
10 objection 35 (a) and 35 (b), and Ohio Partners for Affordable Energy's
11 (OPAE's) filed objections II and III.

12
13 6. Q. What is OCC's objection 56?

14 A. OCC objects that Staff failed to assess the impact that billing a security
15 deposit in a single payment, instead of installments, has on residential
16 customers' ability to secure service.

17
18 7. Q. What is Staff's response to this objection?

19 A. The Ohio Revised Code (O.R.C.) Section 4933.17 allows gas companies
20 an opportunity to collect a security deposit in order to secure payment
21 of bills for commodity furnished. Deposits are only required if

1 customers cannot establish creditworthiness. Chapter 17 of the Ohio
2 Administrative Code (O.A.C.) outlines the requirements that gas
3 companies must follow to determine if a customer is creditworthy.
4 Staff believes that this issue is best addressed in the pending rule
5 review process of Chapter 17 of the O.A.C., to ensure that all gas
6 companies in Ohio are providing the same quality of service to their
7 customers.

8
9 8. Q. What is OCC's objection 57?

10 A. OCC objects that Staff failed to recommend that the company offer
11 additional extended payment plans for customers so that they may
12 continue to maintain natural gas service.

13
14 9. Q. Staff finds that Vectren complies with Chapter 18 of the Ohio
15 Administrative Code (O.A.C.) when it offers extended payment plans.
16 On June 25, 2008, the Commission issued draft revised Disconnection
17 rules for public comment in Case No. 08-723-AU-ORD. Staff believes
18 that any recommendation to require companies to offer more extended
19 payment plans should be addressed in that proceeding to ensure that
20 all gas companies in Ohio are providing the same quality of service to
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1 their customers.
2
3

4 10. Q. What is OCC's objection 58?
5

6 A. OCC objects that Staff failed to address situations where customer
7
8 have billing periods that are longer than one month and that may
9
10 result in unaffordable utility service.
11
12

13 11. Q. What is Staff's response to this objection?
14

15 A. Staff understands that all billing cycles may not all fall within a 30 day
16
17 cycle due to uncontrollable circumstances, such as holidays. Staff does
18
19 not have information that would indicate that Vectren's customers are
20
21 having difficulty making payments on monthly bills that are rendered
22
23 for a period that is greater than 30 days. Staff would expect Vectren
24
25 to offer payment arrangements to customer who indicate they will not
26
27 be able to pay the amount in full by the due date in those instances.
28
29

30 12. Q. What is OCC's objection 59?
31

32 A. OCC objects that Staff failed to deny the Company's request for a
33
34 "payment at the door" collection charge, whereby the Company could
35
36 assess the charge when an employee was sent to disconnect the
37
38 customer's service for non-payment of the bill but accepts the payment
39
40 from the customer to prevent disconnection.

1

2 13. Q. What is Staff's response to this objection?

3 A. Staff understands OCC's concerns (voiced in Durban's testimony) that
4 a customer could face disconnection of service because he/she was not
5 expecting to pay for an additional cost to maintain service. Therefore,
6 Staff recommends that Vectren should notice the customer of such
7 payment requirement on its disconnection notice. That notice should
8 state that the charge will be collected either at the door or added to the
9 customer's next bill.

10

11 14. Q. What is OCC's objection 61?

12 A. OCC objects that Staff failed to address why the company is not
13 offering the option of obtaining a guarantor to reestablish
14 creditworthiness to customers that are disconnected for non-payment.

15

16 15. Q. What is Staff's response to this objection?

17 A. Staff does not interpret Rule 4901:1-17-04 (A) of the O.A.C., to mean
18 that a customer has all the options to reestablish credit as they do to
19 establish credit as stated in Rule 4901:1-17-03 of the O.A.C..

20

1 16. Q. What is Vectren's objection 35 (a).

2 A. Vectren objected to the Staff Report's recommended language in Sheet
3 No. 62 – Termination of Service at Customer's Request, which states,
4 "that any Customer who wishes to discontinue Gas Service because
5 Customer is vacating the Premises, or for any other reason, shall notify
6 Company at least 72 hours prior to the date of the requested service
7 termination." Vectren recommended the language be modified to
8 read, "...at least three (3) business days prior to the date of the
9 requested service termination."

10

11 17. Q. What is Staff's response to the objection?

12 A. Staff's recommended language for Sheet No. 62 – Termination of
13 Service at Customer's Request, did not include, "...at least 72 hours
14 prior to the date of the requested service termination." This language
15 currently exists in Vectren's tariffs and the Company did not propose
16 to change this language in its application in this case. Staff does not
17 recommend this change.

18

19 18. Q. What is Vectren's objection 35 (b).

1 A. Vectren objects to Staff's denial of its proposed Avoided Customer
2 Charge Provision, which would be charged to customers who request
3 discontinuation of service and later desire to be reconnected at the
4 same premise. This charge will be assessed for each month of
5 discontinued service, not to exceed nine months.
6

7 19. Q. What is Staff's response to this objection?

8 A. Staff believes that a Customer Service Charge should only be billed for
9 services rendered while a person is a customer of the Company.
10

11 20. Q. Why does Vectren want to charge an Avoided Customer Charge?

12 A. Vectren believes spaceheating-only customers may find it
13 advantageous to turn service off for as much as six or seven months
14 rather than pay the Summer Customer Charges.
15

16 21. Q. Has Vectren provided any documentation to indicate that customers
17 will temporary disconnect service for six to seven months to avoid a
18 Summer Customer Charge?

19 A. No, the Company has not provided any documentation or analysis
20 indicating the magnitude of this issue. In addition, with a

1 reconnection fee of sixty dollars (the dollar equivalent of six months of
2 the Avoided Customer Charge), Staff believes the customer is already
3 discouraged from turning service off unnecessarily. Lastly, Staff
4 believes that if the Company advises customers, at the time of the
5 request for disconnection of service, that a reconnection fee will be
6 assessed if they request service to be reconnected at the same premise,
7 such notice would deter customers from seeking a temporary
8 disconnection just to avoid the customer charge.

9
10 23. Q. What is OPAC's objection II?

11 A. OPAC objects that Staff failed to forbid charging deposits or late fees to
12 customers participating in the Percentage Income Payment Plan.

13
14 24. Q. What is Staff's objection to this objection?

15 A. Staff believes this issue is best addressed in the pending review of
16 Chapter 18 of the O.A.C., which addresses the administration of PIPP.

17
18 25. Q. What is OPAC's objection III?

19 A. OPAC's objects that Staff failed to require that Vectren offer affordable
20 payment plans based on the customer's energy burden and income.

1

2 26. Q. What is Staff's response to this objection?

3 A. Staff finds that Vectren complies with Chapter 18 of the Ohio
4
5 Administrative Code (O.A.C.) when it offers extended payment plans.
6
7 On June 25, 2008, the Commission issued draft revised Disconnection
8
9 Rules for public comment in Case No. 08-723-AU-ORD. Staff believes
10
11 that any recommendation to require companies to offer more extended
12
13 payment plans, should be addressed in that proceeding to ensure that
14
15 all gas companies in Ohio are providing the same quality of service to
16
17 their customers.

18
19 27. Q. Does this conclude your testimony?

20

21 A. Yes, it does.

22

PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Prefiled Testimony of Barbara J. Bossart, submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served by regular U.S. mail, postage prepaid, hand-delivered, and/or delivered via electronic mail, upon the following parties of record, this 19th day of August, 2008.



Anne L. Hammerstein
Assistant Attorney General

Parties of Record:

Ronald E. Christian
Vectren Energy Delivery of Ohio Inc.
One Vectren Square
Evansville, IN 47708

John M. Dosker
Stand Energy Corporation
1077 Celestial Street, Suite 110
Cincinnati, OH 45202-1629
43215

Gregory Russell Esq.
Jonathan Airey, Esq.
Vorys, Sater, Seymour and Pease
52 East Gay Street
Columbus, Ohio 43215

John Bentine
Mark Yerick
Chester, Willcox & Saxbe, LLP
65 East State Street, Suite 1000
Columbus, OH 43215-4213

Trent Dougherty
Ohio Environmental Council
1207 Grandview Avenue, Suite 201
Columbus, Ohio 43212

Gretchen Hummel, Esq.
Joseph M. Clark, Esq.
Lisa McAlister, Esq.
McNees, Wallace & Nurick
Fifth Third Center
21 East State Street, 17th Floor
Columbus, Ohio 43215-4228

Maureen Grady
Joseph Serio
Michael Idzkowski
Ohio Consumers' Counsel
10 West Broad Street, 18th Floor
Columbus, OH 43215-3485

David Rinebolt
Colleen Mooney
Ohio Partners for Affordable Energy
337 S. Main St., 4th Floor, Suite 5
PO Box 1793
Findlay, OH 45839-1793