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September 10, 2008

Via Fed Ex
Public Utilities Commission of Ohio
Docketing Division
180 East Broad Street
Columbus, OH 43215-3793

Re: In the Matter of the Commission's Review of Chapters 4901:1-17 and 4901:1-18, and Rules 4901:1-5-07, 4901:1-10-22, 4901:1-13-11, 4901:1-15-17, 4901:1-21-14, and 4901:1-29-12 of the Ohio Administrative Code.

Dear Sir/Madam:

Enclosed please find for filing the original and (11) eleven copies of the Initial Comments of The Dayton Power and Light Company.

Please time-stamp and return the extra copy in the self addressed stamped envelope provided. If you have any questions, please call Judi L. Sobecki at 937-259-7171.

Sincerely,

Jenna Johnson-Holmes

Jenna Johnson-Holmes
Administrative Assistant

Enclosures

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Review of Chapters 4901:1-17 and 4901:1-18, and Rules 4901:1-5-07, 4901:1-10-22, 4901:1-13-11, 4901:1-15-17, 4901:1-21-14, and 4901:1-29-12 of the Ohio Administrative Code.	))))))))	**Case No. 08-723-AU-ORD**

INITIAL COMMENTS OF THE DAYTON POWER AND LIGHT COMPANY

On June 25, 2008, the Public Utilities Commission of Ohio ("Commission") issued an order regarding the five year review of OAC Chapters 4901:1-17 and 4901:1-18 be conducted pursuant to ORC Section 119.032. The Commission invited interested parties to file comments on proposed rules changes to those Chapters, along with changes to select provisions in other Chapters of the Ohio Administrative Code by August 11, 2008. In addition, the Commission invited interested parties to provide input on a series of questions presented along with the Commission Staff's proposed rule changes. The filing date for initial comments was extended to September 10, 2008 by order dated August 1, 2008 which granted a motion for that extension. The Dayton Power and Light Company ("DP&L") hereby submits its comments to the proposed rule changes and new rules as set forth in the June 25, 2008 Order.

I. APPENDIX A—RESPONSES TO COMMISSION QUESTIONS

Appendix A to the Commission's June 25, 2008 Order included a series of questions. DP&L's responses are below.

ENERGY CONSERVATION

1. Are there programs related to energy conservation for low-income customers which the commission should consider? If so, provide program details and quantitative analysis of the results of the program.

   Energy conservation programs for low-income customers should be proposed by the utilities in the utilities' filings in connection with Senate Bill 221 implementation. Consideration of low income programs together with all other customer programs will be the most efficient means by which to analyze programs. Consequently each individual EDU's energy conservation program will best be considered in the context of the comprehensive filings to comply with the provisions of SB 221 rather than in this proceeding.

2. Have you conducted or are you aware of any studies which demonstrate a difference in energy consumption between Ohio's PIPP customers, non-PIPP low-income customers and all other customers? If there is a difference in consumption, please quantify the difference and provide an explanation, including any evidence to justify the difference in consumption.

   DP&L has not conducted or is aware of any studies which demonstrate a difference in energy consumption between PIPP and all other customers.

3. What are the number and percentage of PIPP customers who have been served by energy conservation programs in each of the last 5 years and cumulatively?

   No responsive data available.

4. What are the estimated number and percentage of PIPP customers who have never been served by energy conservation programs?

   No responsive data available.

5. What would be the expected Mcf / kWh energy savings for a typical PIPP customer if all cost-effective energy conservation measures were installed?

   Please see response to question number 1.

6. What would be the expected bill savings for a typical PIPP customer if all cost-effective energy conservation measures were installed?

   Please see response to question number 1.

7. What would be the potential total Mcf / kWh savings if cost-effective energy conservation measures were implemented for all PIPP customers?

Please see response to question number 1.

8. What would be the cost of expanding energy conservation programs to implement cost-effective energy conservation measures for all PIPP customers?

No responsive data available.

9. What barriers may exist to expanding energy conservation programs or achieving conservation savings for low income consumers?

The potential barriers to expanding energy conservation programs or achieving conservation savings for low income consumers are many, including but not limited to what is perhaps the biggest barrier—convincing low income customers to participate in such programs. Indeed, changing customer behavior will be a significant challenge regardless of income level. Additional barriers may also include concerns regarding the uncertainty surrounding the extent to which the utility will be able to recover the costs of such programs.

10. What opportunities may exist to improve on existing conservation and weatherization programs for low income consumers?

Please see response to question number 1.

FOREGONE DISCONNECTION AND ASSOCIATED REVENUES

1. For companies that do not disconnect customers according to the timelines and payment levels provided for in the proposed rules in Chapter 4901:1-18 of the Administrative Code, should the uncollected charges incurred beyond the timelines specified in the rules be ineligible for recovery from other customers?

No. The reasons that customers may not be disconnected within certain timelines vary widely. For example, in certain instances, the cost of disconnecting a given customer may be greater than the amount of the customer's arrearage. Therefore, it would be inappropriate and inequitable to deem all charges incurred beyond the timelines ineligible for recovery from other customers.

PREPAID METERS

Since DP&L is not pursuing prepaid meters at this time, it is not in a position to respond to the questions on this topic.

OTHER

1. Should customers be permitted to choose the monthly due date of their bills on an annual basis? If so, should there be any limits on the date selected? For companies which do permit the customers to select their due date on an extended basis, please explain how your program works and the impact it has had on bill payment.

   DP&L does not currently permit a customer to choose the monthly due date. Doing so would be fraught with cost and administrative challenges. Moreover, it would have a significant adverse impact on DP&L's ability to manage cash-flow and efficiently operate its business. Such a change would require more complex cash forecasting models and require extensive billing system changes. This would result in increased overall operating expenses, which would have an adverse customer impact.

2. What data should be annually reviewed to determine the impact and success of a proposed low-income program?

   DP&L cannot fairly respond to this question in that the term "low income programs" is undefined. The question could call for different responses depending on the specific low income program.

3. With the proposed elimination of payday lenders as authorized payment agents, what other outlets are readily available to customers that are, or could be, authorized payment agents? What is the cost and what equipment, if any, is required to establish an authorized payment agent? For example, if neighborhood drugstores became payment agents, what would be the cost associated with establishing that new authorized payment agent location? For those companies that still have company-owned payment centers, please list the location(s) of those centers.

   As explained more thoroughly in DP&L's comments with respect to Rule 4901:1-10-22, the proposed elimination of payday lenders as authorized payment agents will have a significant negative impact for low-income customers and DP&L is proposing the elimination of that provision for this reason. Currently, DP&L only accepts payday lenders when there are no other realistic agent-candidates in the geographic area. The candidate pool is severely limited because the current 84 cents allowable charge make it extremely difficult to attract other pay agents.

4. Staff has proposed to delete references to primary and secondary sources of heat. Is gas or natural gas used as a secondary source of heat and, if so, quantify the number of residential customers with gas or natural gas as the secondary source of heat. (gas only)

   Not applicable to DP&L.

5. Given the changes proposed in the PIPP program, should the proposed program be given a new name to distinguish it from the current PIPP program? If so, do you have a suggestion for the new name? (gas only)

Not applicable to DP&L.

6. Staff proposes to incorporate the residential and non-residential disconnection and reconnection provisions of the Electric Service Standards at Chapter 4901:1-10, O.A.C., and the Gas Service Standards at Chapter 4901:1-13 into Chapter 4901:1-18, O.A.C. Staff believes that doing so would enhance future comprehensive reviews of the disconnection and reconnection rules. Is there any reason not to adopt Staff's proposal?

DP&L has no objection provided that the rules continue to differentiate between residential and non-residential disconnection and reconnection provisions.

7. In proposed Rules 4901:1-18-06(A)(5)(e) and 4901:1-17-04(A), O.A.C., an existing customer, if disconnected, must pay the amount past due listed on the disconnection notice, and may be required to pay a reconnection fee and a security deposit to be reconnected. Proposed Rule 4901:1-17-03(D), O.A.C., provides that any unpaid charges for previous residential service must be paid before service may be re-established (in addition to re-establishing the applicant's credit). What should be the required time interval between when the provisions of proposed Rule 4901:1-17-03(D), O.A.C., which is applicable to an applicant for service, apply as opposed to an existing customer under proposed Rules 4901:1-18-06(A)(5)(e) and 4901:1-17-04(A), O.A.C.? In other words, how long must a customer's service be disconnected before the customer or former customer is considered a new applicant pursuant to proposed Rule 4901:1-17-03(D), O.A.C.?

DP&L's practice is to render a final bill to customers shut-off for non-payment ten days after disconnection. After that point, the customer is considered a new applicant. DP&L believes this to be a reasonable time period.

II. <u>APPENDIX B—OSCAR REPORT REORGANIZATION</u>

DP&L respectfully proposes deferring consideration of revisions to the OSCAR report format at this time. The Ohio Department of Development is currently in the process of revising the electric PIPP program, and new rules are expected at anytime. DP&L believes that revisions to the OSCAR report format would be best considered after the new electric PIPP program rules have been issued.

DP&L does, however note that Appendix B requires that "information should be provided monthly and the data should be as of the 28th day of each individual month." Currently, DP&L provides OSCAR data at the end of the revenue month (after all customers have billed for the month). This process is in alignment will all other DP&L financial reporting. Imposing a requirement that reporting should be as of the 28th of each month will result in data that is not as meaningful or helpful to the Commission or the ODOD in making month-to-month or year-to-year comparisons. By way of concrete example, in January 2008 approximately 86% of DP&L's customers would have been billed by January 28th, along with 10% from the preceding month. February's report would have February's 90% of the customer base, plus 14% from January. Any attempt to analyze fluctuation between periods would not be possible if reporting is based upon a somewhat arbitrary calendar date rather than based upon a revenue month. DP&L proposes reporting based upon revenue month rather than calendar date in order to yield more meaningful information contained in the report.

III. <u>CHAPTER 4901:1-17 ESTABLISHMENT OF CREDIT FOR RESIDENTIAL SERVICE</u>

A. 4901:1-17-03(A)

Subsection (1) of this rule provides that an applicant can demonstrate the applicant's financial responsibility if the applicant owns real property and "has demonstrated financial responsibility with respect to the property." DP&L recommends this criterion be deleted. From a practical standpoint, there is no workable objective method which can employed to evaluate an applicant's creditworthiness in this manner. Since this provision proves impossible to apply evenly, and other methods to establish creditworthiness exist, this criterion should be stricken.

With respect to subsection (2), utilities should be permitted to deny service based upon an applicant's refusal to provide a social security number ("SSN"). The intent of permitting utilities to establish the creditworthiness of an applicant is to ensure that the EDU is paid for the services provided. SSNs are the most efficient means to accomplish this goal, and the rules should encourage the quickest and most cost effective method to establish creditworthiness, not discourage the use as the rule as proposed does. Moreover, requiring SSNs will protect customers as well as the utility. For example, DP&L also has the concern that when a credit report is pulled without using an SSN it is considered a 'hard hit' and can affect the customer's credit score. In addition, the provision of a SSN by a customer to an EDU can help prevent identity theft. Names, even extremely unique names, are easy to obtain. If EDU's are forced to provide service to individuals with little more than a name and an address, the chances of identity theft increase and anyone listed in the phone book with an address that could be given as a "former address" for verification purposes is a potential identity theft victim. If in order to obtain service a customer has to give a name and SSN, the potential field of identity theft victims shrinks to those who have already had their SSN stolen.

Since requiring an SSN to establish service protects both the EDU and the customers, DP&L proposes the rule should be amended to read:

> The applicant demonstrates that he/she is a satisfactory credit risk by means that may be quickly and inexpensively checked by the utility. Under this provision, the utility may request the applicant's social security number in order to obtain credit information and to establish identity. Prior to requesting the applicant's social security number, the utility shall advise the applicant that it will use the social security number to obtain credit information and to establish identity.~~, and that providing the social security number is voluntary. The utility may not refuse to provide service if the applicant elects not to provide his/her social security number. If the applicant declines the utility's request for a social security number, the utility shall inform the applicant of all other options for establishing creditworthiness.~~

Rule 4901:1-17-03(A)(2) should be amended to be consistent with Rule 4901:1-17-06(B)(2) regarding refunding deposits, which releases deposits if "the customer has not had more than two occasions which his/her bill was not paid by the due date." Therefore, DP&L proposes the following amendment:

> The applicant demonstrates that he/she has had the same class and a similar type of utility service within a period of twenty-four consecutive months preceding the date of application, unless utility records indicate that the applicant's service was disconnected for nonpayment during the last twelve consecutive months of service, or the applicant had received two ~~consecutive~~ bills with past due balances during that twelve-month period and provided further that the financial responsibility of the applicant is not otherwise impaired.

Rule 4901:1-17-03(A)(5) sets forth requirement concerning third party guarantors for a utility customer. A utility should be permitted to require that a guarantor must be a customer of the EDU as stated in Rule 4901:1-10-05(D)(3). This practice avoids potential litigation if the guarantor does not pay and avoids a separate system to track the whereabouts of guarantors who are living outside of the service territory. As a customer of the EDU, the utility has a mechanism to bill the guarantor and collect, which results in a lower uncollectible expense. DP&L also recommends additional language that enables the utility to release a guarantor and bill the guarantee account a deposit if the guarantor no longer meets the criteria for creditworthiness. Consequently, DP&L proposes that this section should be amended to read:

> The applicant furnishes a creditworthy guarantor, who, at the utility's option, may be required to be a customer of that utility, to secure payment of bills in an amount sufficient for a sixty-day supply for the service requested. If a third party agrees to be a guarantor for a utility customer, he or she shall meet the criteria as defined in paragraph (A) of this rule or otherwise be creditworthy. If the guarantor no longer meets the criteria for creditworthiness, the utility may release the guarantor and bill the guarantee account a deposit.

Rule 4901:1-17-03(A)(5)(a) requires that any guarantor must sign a written guarantor agreement which includes the information contained in the appendix to the proposed rule. DP&L proposes that the proposed rule be amended to make the signed written guarantee agreement one option, but also permit a verbal guarantee memorialized by a confirming letter explaining the rights and responsibilities of the guarantor sent by the EDU as another acceptable alternative. DP&L requires security before granting service to an applicant. As part of this practice, when a guarantor calls, DP&L will explain the rules and obligations to the guarantor over the telephone and determine a guarantor's creditworthiness. If the guarantor verbally agrees to be a guarantor, DP&L will grant service to the applicant without delay, and send the confirming letter. This process has never resulted in any issues and indeed is beneficial to the applicant in that it speeds the process of establishing service. Removing this alternative and instead mandating the more formal Guarantor Agreement will only result in additional administrative expense and a delay in service to the applicant.

DP&L therefore proposes modifying rule 4901:1-17-03(A)(5)(a) as follows:

> The guarantor ~~shall~~ <u>may be required to</u> sign a written guarantor agreement that shall include, at a minimum, the information shown in the appendix to this rule. The company shall provide the guarantor with a copy of the signed agreement and shall keep the original on file during the term of the guaranty.

As written, 4901:1-17-03(A)(5)(c) permits a guaranteed customer to transfer service to a new location using the same guarantor. A guarantor's creditworthiness is evaluated at the time the EDU accepts the individual as a guarantor. Occasionally, a guarantor's credit declines over time, therefore making a once eligible guarantor no longer eligible to guarantee an account. DP&L proposes altering this rule to permit the EDU to re-establish a guarantor's creditworthiness in the event of a requested transfer of service. This will help protect against uncollectible accounts. In addition, this practice would also permit the EDU to charge the guarantor, if necessary, its portion of the unpaid final bill, which would release the guarantor of further responsibility for the closed (final billed) account. DP&L proposes the rule be amended as follows:

> When the guaranteed customer requests a transfer of service to a new location, an EDU may determine creditworthiness of the guarantor for the previous account or new guarantor in the manner provided for in section (A)(5) of this rule. Upon satisfying that provision, the utility ~~shall~~ may send a new guarantor agreement to the guarantor. . .

The appendix to the proposed rule contains the Guarantee Agreement. For the reasons more fully explained above, DP&L proposes this formal written agreement be an option available to the utilities, along with the alternative of permitting a verbal guarantee over the telephone to be memorialized in a written confirmation letter sent by the utility. Nonetheless, DP&L also proposes that the language of the proposed Guarantee Agreement be amended as described below to be consistent with other changes proposed by DP&L.

Consistent with DP&L's comments regarding transferring service, the third paragraph of the Guarantor Agreement should be amended to read as follows:

> I understand that the company will send a notice to me when the customer requests to transfer service to a new location and I will have the option to sign a new guarantor agreement. I further understand the company has the right to re-establish my creditworthiness to act as a guarantor for service at the new location.

Paragraph six addresses termination of the Guarantor Agreement. As written, this paragraph would permit a guarantor to request termination after learning that the account has gone into collections, which would defeat the purpose of the guarantee. To address this concern, DP&L proposes that the language be modified as follows:

> I understand that I may terminate this guarantor agreement upon thirty days' written notice to (name of company) unless the customer account for which I am the guarantor has already been placed in a collection activity at the time my notice is received by the company, in which case I understand that I will not be

released from my payment obligations under this agreement until all outstanding amounts owed in connection with the account have been paid. I also understand that, if I terminate this guarantor agreement, (customer's name) may be required to reestablish creditworthiness ~~when I terminate the guaranty~~.

B. 4901:1-17-04(C)

In order to capture the spirit and intent of 4901:1-17-04, subsection (C) should be expanded to permit the utility to seek security from all credit risk customers. DP&L proposes the following amendment:

> A utility may require a deposit if the applicant for service was a customer of that utility, during the preceding twelve months, and had service disconnected for nonpayment, a fraudulent act, tampering, or unauthorized reconnection, or has been issued a disconnection notice for non-payment.

C. 4901:1-17-06

As written, 4901:1-17-06(A) creates an undue administrative burden of refunding any amount of a customer's deposit remaining no matter how small. DP&L recommends this rule be amended to be consistent with OAC 4901:1-10-14, which limits refunds to customers to an amount exceeding one dollar. DP&L therefore proposes the rule be amended to read:

> After discontinuing service, the utility shall promptly apply the customer's deposit, including any accrued interest, to the final bill. The utility shall promptly refund to the customer any deposit, plus any accrued interest, remaining, unless the amount of the refund is less than one dollar.

4901:1-17-06(B) sets forth the payment history criteria a customer must meet in order to have a deposit refunded. The rule should be expanded, however to deter the issuance of bad checks to the utility. DP&L proposes adding the phrase "or issued any insufficient fund checks or payments to the utility" to the end of section (B)(1).

IV. CHAPTER 4901:1-18 TERMINATION OF RESIDENTIAL SERVICE

A. 4901:1-18-05 Extended payment plans and responsibilities

The proposed amendments to this rule seek to institute multiple payment plans the utility is obligated to offer to a customer whose account is delinquent. Specifically, the rule contemplates a one-sixth plan, modified one-sixth plan, one-twelfth plan, and a one-third plan for winter months. DP&L proposes making the offer of the modified one-sixth and one-twelfth plans optional rather than mandatory for several reasons. First, offering four payment plans will result in increased confusion to the customers. Second, offering four plans will result in significant increase to DP&L's operating costs. For example, at a minimum, the following existing systems or procedures would need to be modified: billing system, all customer correspondence explaining payment plans, and the collections system, which during the winter months compares the one-sixth plan to the one-third plan and offers the customer the plan most beneficial to the customer. In addition, the one-twelfth plan represents bad policy in that it rewards a customer accumulating an arrearage and erases the benefit of subsection (D) to customers who are current on payments but would like an even billing plan. Mandating this plan would remove one of the incentives a customer has to keep current with payments.

With respect to the specific language describing the plans themselves, DP&L proposes certain modifications be made. The modified one-sixth plan should be amended to read as follows:

> At discretion of utility- Modified one-sixth plan – A plan that requires the customer to pay twenty-five per cent of his/her total balance and to enter into a one-sixth payment plan on the remaining balance in addition to full payment of current bills to begin with the next billing cycle.

The phrase "At discretion of utility-" should be added to the beginning of subsection (3) to be consistent with the proposal to make this and the one-twelfth plans optional. The latter proposed language is intended to make clear that the customer is still obligated to pay for current usage.

Finally, in subsection (4), the phrase "in addition to the three plans listed above" should be deleted to reflect the optional nature of the modified one-sixth and one-twelfth plans. This rule should be further modified to read as follows:

> ~~In addition to the three plans listed above, d~~During the winter heating season, the company shall offer the one-third payment plan ~~for any bills that include any usage occurring from~~ between the dates of November 1 through April 15. The one-third plan requires payment of one-third of the balance due each month (arrearages plus current bill). For any outstanding balance remaining after the last one-third bill has been rendered, the company shall remove the customer from the one-third payment plan and shall offer the customer the option to pay the balance or to enter into ~~one of the three plans above~~, ~~in this rule~~ another payment plan, or PIPP provided that he/she meets the qualifications for that plan.

Connecting the one-third plan to usage dates is impractical. Moreover, the proposed change would be consistent with the language of the existing rule and more accurately reflect the intent of this provision.

B. 4901:1-18-06 Disconnection procedures for electric, gas, and natural gas utilities

1. 4901:1-18-06(A)(3)(c)

Subsection (A)(3)(c) provides for certain notification to the Department of Job and Family Services ("DJFS") of impending disconnection. While DP&L has not had the DJFS request this information in the past, it finds this provision troubling for several reasons. First and perhaps of the most critical importance, such an amendment would put all Ohio EDU's in the untenable position of having to violate one provision of the Ohio Administrative Code in order to comply with another. EDU's are only permitted to release select pieces of the information sought by the amendment without a customer's prior written consent under limited circumstances. The release of this information for reasons other than those few circumstances can be done only with a customer's written consent in a form proscribed by the OAC. The DJFS would not fall under one of the limited categories which permit release of the information without consent and it is doubtful that a customer already facing disconnect would be responsive to requests to sign a consent form. Consequently, in order for the EDU to release the information to comply with the proposed rule, it would necessarily have to violate OAC 4901:1-10-24(E)(1) which provides, in pertinent part, as follows:

> An EDU shall only disclose a customer's account number without the customer's written consent for EDU credit evaluation, collections and/or credit reporting and for CRES provider credit collections and/or reporting; for participants in programs funded by the universal service fund, pursuant to section 4928.54 of the Revised Code; for governmental aggregation, pursuant to section 4928.20 of the Revised Code; or pursuant to court order. The EDU must use the consent form set forth in paragraph (E)(3) of this rule;

Releasing the information required by the proposed rule to the DJFS so that it "may use the information to assist customers in the payment of delinquent utility bills in an effort to avoid disconnection of services" clearly does not qualify as one of the limited categories under which release of this information without consent would be permitted. Thus, under the proposed amended rule, in order to release this information to the DJFS, DP&L would be required to obtain prior customer consent via the written form specified by the Code.[1] This leads to the impracticalities of the amendment because in practice it creates an interesting Catch-22: DP&L wouldn't be able to disconnect the customer unless it sent notice to DJFS, but DP&L couldn't send that notice to DJFS without first obtaining the customer's consent.

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[1] OAC 4901:1-10-24(E)(3).

Another flaw concerns the time period relating to the notices. Specifically, the proposed amendment calls for "ongoing notification" by "electronic means." This provision could be interpreted to require the EDU to provide any county DJFS access to electronic "information on those customers whose service will be disconnected for non-payment" from the moment that DJFS sends a request for the notification and continuing into perpetuity. The proposed amended also is internally contradictory in that on the one hand, it requires "ongoing notification" but then later requires notification be made available "simultaneous with the generation of disconnection notices being distributed to customers." This seems to require notice at the time of the 14 day notice, the 10 day notice and telephone calls—not "ongoing notification." DP&L proposes deleting this subsection in its entirety.

2. <u>4901:1-18-06(B)(1)</u>

DP&L proposes that this section be modified to read as follows:

> Makes contact with the customer or other adult consumer at the premises ten days prior to disconnection of service by personal contact, telephone, or hand-delivered written notice. Companies may send this notice by regular, U.S. mail; however, such notice must allow three calendar days for mailing <u>unless personal or telephone contact is made prior to the expiration of the ten-day period, in which case three calendar days for mailing is not required</u>. This additional notice shall extend the date of disconnection, as stated on the fourteen-day notice required by paragraph (A) of this rule, by ten additional days.

DP&L proposes this modification to permit the continuation of DP&L's procedures as authorized by the Commission by Entry dated January 4, 2006 in Case No. 05-1171-EL-UNC, in which DP&L was granted a waiver with respect to this rule, which at the time appeared as rule 4901:1-18-05(B)(1).

3. <u>4901:1-18-06 (C)(2)(e)</u>

DP&L proposes that this provision be modified as follows:

> If a medical certificate is used to avoid disconnection, the customer shall be given the opportunity to enter into an extended payment plan prior to the end of the medical certification period or be subject to disconnection at the expiration of the medical certification period. ~~The initial payment on the plan shall not be due until the end of the certification period.~~

DP&L proposes the modifying language "be given the opportunity to" because an EDU cannot force an unwilling customer to enter into an extended payment plan when the customer does not wish to. The modifier "at the expiration of the medical certification period" is proposed for purposes of clarity. DP&L proposes striking the final sentence because it conflicts with 4901:1-18-06 (C)(2)(i)(3), which provided that the first payment of a payment plan must be made "no later than the end date of the medical certificate."

4. 4901:1-18-06 (C)(2)(f)

This provision should be modified to read "If service has been disconnected for non-payment. . . " to be consistent with other provisions of 4901:1-18-06.

5. 4901:1-18-06 (D)

DP&L proposes deleting this provision in its entirety. If an applicant fails to pay a requested deposit yet moves into the premise and takes service despite such refusal, any electric used is theft of service and therefore, the utility should not be required to send a 14-day disconnection notice to the applicant. In addition, the applicant should be responsible for the cost of electric used during this period.

6. 4901:1-18-06 (G)

As written, this provision removes flexibility and imposes additional unnecessary administrative burdens on both the Commissions and the utilities. To permit the EDU to respond to changing circumstances, DP&L proposes this provision be modified as follows:

> The company shall include in its tariff its current standard practices and procedures for disconnection, including any applicable collection and reconnect

charges. ~~Any company proposing changes to its disconnection notice shall submit a copy to commission staff for review.~~

C. 4901:1-18-10 Insufficient reasons for refusing service or disconnecting service.

Subsection (B) of 4901:1-18-10 prohibits an EDU from refusing service or disconnecting service to an applicant or customer for failure to pay for non-residential service. DP&L allows a residential customer to guarantee a non-residential account. In the event of a guarantor transfer of non-residential dollars to a residential account, DP&L would not be permitted to disconnect without running afoul of this rule. To address this unique circumstance while still maintaining the intent of this provision, DP&L proposes modifying the language as follows:

> Failure to pay for nonresidential service<u>, unless the nonresidential service obligation to pay arose pursuant to a guarantor agreement.</u>

V. <u>4901:1-10-22 EDU CUSTOMER BILLING AND PAYMENTS</u>

This rule prohibits an EDU from contracting with a check cashing business to be an authorized payment agent for the utility. This proposed new rule would create an undue burden upon DP&L and inconvenience DP&L's customers. Currently 15 out of 83 DP&L pay agents are considered check-cashing businesses under this definition. At the current 84 cents allowable charge it is extremely difficult to attract other pay agents. Losing these 15 pay agents will make it unduly burdensome for the very "financially vulnerable low-income population" which Ohio is trying to protect in that these customers will now need to incur the expense of traveling even greater distances to locate another pay agent. This provision should be deleted in its entirety because it creates a hardship to low-income customers, and it is unnecessary since there are other statutory provisions in place which better protect Ohio's financially vulnerable from predatory lending practices.

VI. CONCLUSION

DP&L appreciates the opportunity to provide comments and feedback with respect to the proposed rules. DP&L looks forward to working with all interested parties in connection with developing these rules. For the reasons more fully explained above, DP&L respectfully requests that the Commission amend or modify the rules as set forth in DP&L's proposals.

Respectfully submitted,

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