FILE

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.

OF OHIO

Case No. 08-723-AU-ORD

OHIO DEPARTMENT OF DEVELOPMENT MEMORANDUM CONTRA APPLICATIONS FOR REHEARING

By its finding and order in this docket of December 17, 2008, the Commission adopted amended rules governing, among other things, the operation of the percentage of income payment plan ("PIPP") program available to income-eligible customers of the state's natural gas distribution utilities. *See* Adopted Rules 4901:1-18-12 through 4901:1-18-17, Ohio Administrative Code. On January 16, 2009, a number of parties filed applications for rehearing pursuant to Section 4903.10, Revised Code, contending that the Commission's finding and order is unreasonable and unlawful on various grounds. Certain of the identified grounds for rehearing are of particular concern to the Ohio Department of Development ("ODOD") in view of its role as administrator of the electric PIPP program. *See* Section 4928.53, Revised Code.

As the Commission well knows, ODOD has recently promulgated new electric PIPP rules that will be considered by the Joint Committee on Agency Rule Review next month. In its initial comments in this docket, ODOD endorsed the Commission's stated objective of aligning the gas PIPP program with the electric PIPP program (see ODOD Initial Comments, 2).

Although the version of the gas PIPP rules adopted by the Commission does not mirror every

¹ In furtherance of this objective, ODOD's proposed electric PIPP rules provide for a consistent year-round monthly PIPP installment amount, a long-standing feature of the Commission's gas PIPP rules.

aspect of ODOD's proposed electric PIPP rules, the two sets of rules are consistent in many important respects, including their income-eligibility criteria and arrearage crediting provisions. Thus, to the extent that the applications for rehearing now before the Commission claim that provisions of the gas PIPP rules that are common to both sets of rules are unreasonable (see, e.g., Consumer Groups' Application for Rehearing, 2-3), ODOD urges the Commission to deny rehearing on those grounds.

Further, although there are certain provisions of the newly-adopted gas PIPP rules that are not entirely consistent with the corresponding provisions of ODOD's proposed electric PIPP rules, the underlying objectives of these provisions are the same. With the adoption of ODOD's proposed electric PIPP rules, the electric PIPP and gas PIPP programs will have more common elements than has historically been the case. Accordingly, to the extent that the applications for rehearing raise differences between the two sets of rules as the basis for a claim that the Commission's approval of the rules in question is unreasonable (*see*, *e.g.*, Duke Energy Ohio Application for Rehearing, 2), ODOD urges the Commission to deny rehearing on those grounds as well. Notwithstanding these differences, but both programs will be significantly improved.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon the following parties by first-class US mail, postage prepaid, this 26th day of January 2009.

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