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February 11, 2010

**VIA HAND DELIVERY**

Renée Jenkins

Secretary

Public Utilities Commission of Ohio

180 East Broad Street

Columbus, Ohio 43215-3973

PUCO

2010 FEB 11 PM 5:00

RECEIVED-DOCKETING DIV

**Re: PUCO Case No. 08-723-GA-ORD Application of Brainard Gas Corporation For Approval to Retain Its Current PIPP Program For Its Current PIPP Customers and Otherwise For Exemption From the Requirements of Adopted Rules 4901:1-18-12 Through 4901:1-18-17**

Dear Ms. Jenkins:

On January 22, 2010 Brainard filed its Application for Waiver pursuant to the Commission's Entry on December 9, 2009 in this Docket. Following discussions with the Commission's Staff, whose assistance is hereby acknowledged, Brainard Gas Corporation submits Revised Attachment A, its proposed notice to currently enrolled PIPP customers, and Revised Exhibit C, its Residential Credit and Collections Policy and Procedure.

Very truly yours,

Andrew J. Sonderman

Counsel for Brainard Gas Corporation

Enclosures

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
Technician Sm Date Processed FEB 12 2010

REVISED ATTACHMENT A

NOTICE TO PERCENTAGE OF INCOME PAYMENT PLAN CUSTOMER

February \_\_, 2010

Dear Customer:

Brainard Gas Corporation is continuing to provide service to you under the Percentage of Income Payment Plan currently in effect as of the date of this notice pursuant to Ohio Administrative Code Rule 4901:1-18-04(B). To continue participating in the Percentage of Payment Income Plan, you must comply with all of the following requirements:

1. You must re-verify eligibility annually or sooner when there is a change in household size or income;
2. You must continue to make the required monthly PIPP payment of 10 percent of household income and not be disconnected for non-payment;
3. You must apply for all the public energy assistance for which you are eligible. Customers can contact the Ohio Department of Development at 1-800-282-0880 or [www.odod.state.gov](http://www.odod.state.gov) to get a HEAP application; and
4. You must apply for all weatherization programs for which you are eligible.

If you do NOT meet these requirements, you will no longer qualify to participate in the Percentage of Income Payment Plan and you cannot re-qualify later.

Brainard Gas Corporation will continue to offer extended payment plans even if you no longer qualify for the Percentage of Income Payment Plan. These include the available Public Utilities Commission of Ohio-approved extended payment options of the one-sixth payment plan, the one-ninth payment plan effective November 1, 2010 and the one-third payment plan available during the winter heating season. Please contact a Brainard Gas Corporation Customer Service Representative at 1- (800) 832-6164 if you have any questions.

**REVISED ATTACHMENT C**  
**RESIDENTIAL CREDIT AND**  
**COLLECTIONS POLICY**

***Brainard Gas Corporation***  
***Credit and Collection Policy and Procedure***

**Residential Credit Policy and Procedure Overview**

Brainard Gas Corporation ("Company") has established residential credit procedures following the rules of the Public Utilities Commission of Ohio set forth in Ohio Administrative Code, Chapter 4910:1-17. These procedures are administered in a nondiscriminatory manner without regard to race, color, religion, gender, national origin, age, handicap or disability and without regard to the collective credit reputation of the area in which the residential applicant or customer lives. These credit procedures are available to applicants and customers on request.

The Company follows the requirements of the rules of the Public Utilities Commission of Ohio as set forth in the Ohio Administrative Code with respect to the Establishment of Credit for Residential Service including the following rules currently in effect which are attached hereto:

1. Rule 4901:1-17-03, "Establishment of Credit"
2. Rule 4901:1-17-03, "Appendix Guarantor Agreement"
3. Rule 4901:1-17-04, "Deposit to Reestablish Creditworthiness"
4. Rule 4901:1-17-05, "Deposit Administration Provisions"
5. Rule 4901:1-17-06, "Refund of Deposit and Release of Guarantor"
6. Rule 4901:1-17-07, "Record of Deposit"
7. Rule 4901:1-17-08, "Applicant and/or Customer Rights"

The Company follows the requirements of the rules of the Public Utilities Commission of Ohio as set forth in Chapter 4901:1-18 of the Ohio Administrative Code with respect to Termination of Service including the following rules currently in effect which are attached hereto:

1. Rule 4901:1-18-02, "General Provisions"
2. Rule 4901:1-18-03, "Delinquent Bills"
3. Rule 4901:1-18-04, "Extended Payment Plans and Responsibilities"
4. Rule 4901:1-18-05, "Disconnection Procedures for Natural Gas and Electric Companies"
5. Rule 4901:1-18-06, "Reconnection of Service"
6. Rule 4901:1-18-07, "Landlord-Tenant Provisions"

In Case No. 08-723-AU-ORD, the Commission adopted changes to the Residential Credit and Disconnect Rules in Chapters 4901:1-17 and 4901:1-18, respectively, of the Ohio Administrative Code. In an entry on June 3, 2009 in that case, the Commission postponed the effective date of those changes to November 1, 2010. The Company will follow the amended rules effective as of that date (and will substitute copies of the

amended rules as attachments to this Residential Credit and Collections Policy and Procedure) **except that the Company does not offer the Percentage of Income Payment Plan ("PIPP") to residential customers who were not enrolled in PIPP as of [insert effective date of waiver of PIPP except as to grandfathered PIPP customers].**

The Percentage of Income Payment Plan Rules do not apply as a result of the Commission's approval of the Company's waiver request in Case No. 08-723-AU-ORD. Because the Company does not offer PIPP except to those customers who were enrolled in PIPP as of [insert effective date of waiver of PIPP except as to grandfathered PIPP customers], references to PIPP in amended Rule 4901:1-18-05 "Extended Payment Plans and Responsibilities", and the complete text of amended Rule 4901:1-18-12 "Percentage of Income Payment Plan Program Eligibility for Gas Utility Service", amended Rule 4901:1-18-13 "Payment Requirements for Percentage of Income Payment Plan Customers", amended Rule 4901-18-14 "Incentive Programs for Percentage of Income Payment Plan and Graduate Percentage of Income Payment Plan Customers", amended Rule 4901:1-18-05 "General Percentage of Income Payment Plan Provisions", and amended Rule 4901:1-18-17, "Removal From or Termination of Customer Participation in the Percentage of Income Payment Plan" are not (and will not in the future be) included in this Residential Credit and Collections Policy.

Residential Customers who were enrolled in PIPP as of [insert effective date of waiver of PIPP except as to grandfathered PIPP customers] will continue to participate in the pre-amendment PIPP program under Rule 4901:1-1-18-04(B) (effective generally until November 1, 2010); a copy of Rule 4901:1-18-04(B) as it pertains to grandfathered PIPP customers is attached hereto as noted above. So long as the enrolled PIPP customer complies with all of the following requirements the enrolled PIPP customer may continue to participate in PIPP:

1. The enrolled PIPP customer re-verifies his/her eligibility annually or sooner when there is a change in household size or income;
2. The enrolled PIPP customer continues to make the required monthly PIPP payment of 10 percent of household income and has not been disconnected for non-payment;
3. The enrolled PIPP Customer applies for all the public energy assistance for which the enrolled PIPP customer is eligible. Customers can contact the Ohio Department of Development at 1-800-282-0880 or [www.odod.state.gov](http://www.odod.state.gov) to get a HEAP application; and
4. The enrolled PIPP customer applies for all weatherization programs for which the customer is eligible.

Any enrolled PIPP customer will be **ineligible** for participation in the grandfathered PIPP program and **will not be eligible to re-enroll** if:

1. The enrolled PIPP customer fails to re-verify eligibility as required;

2. The Ohio Department of Development determines that the enrolled PIPP customer is no longer eligible for the program; or
3. The enrolled PIPP Customer is disconnected for non-payment.

### **Collections Policy and Procedure Overview**

The Company follows the procedures described herein in attempting to recover past due amounts owed by customers. These procedures are administered in a uniform, nondiscriminatory manner throughout the Company's service area, and are consistent with the rules set forth in Chapter 4901:1-18, Ohio Administrative Code, and the Company's tariff. See the Rules contained in Chapter 4901:1-18, governing Delinquent Bills, Extended Payment Plans and Responsibilities, Disconnection of Service, Reconnection of Service and Landlord-Tenant Provisions.

The Company provides gas utility service to its customers under specific payment terms set forth in the tariff. Residential, commercial and industrial accounts are due prior to the Company's next billing date, and if payment of the unpaid balance is not received prior to the next billing date a late payment charge of 1.5 percent of the unpaid balance is added to the following month's bill. The Company expects those customers to honor these payment terms. However, in the event a customer fails to meet payment terms, the Company has an obligation to make reasonable efforts to collect past due accounts.

Disconnection Notices are provided as required by the Commission's attached rule "Disconnection Procedures for Electric, Gas and Natural Gas Utilities".<sup>1</sup> Customers are advised of the medical certification program in cases where there is a medical problem.

The Company offers extended payment plans agreeable to the customer and the Company. If the customer does not offer acceptable payment terms, the Company advises the customer of the available PUCO extended payment options of the one-sixth payment plan, the one-ninth payment plan effective November 1, 2010 and the one-third payment plan available during the winter heating season. See attached rule "Extended Payment Plans and Responsibilities". Budget payment plans are offered to customers with no arrearages once per year in August. The Company's uniform practice is to work with all customers to maintain service depending on the individual circumstances. However, if satisfactory terms cannot be reached to maintain service, the Company will disconnect service for non-payment.

The Company takes a final meter reading when a customer moves or is disconnected for non-payment, a fraudulent act, tampering or at the request of the customer and sends the customer a bill for all accumulated charges. The Company sends monthly statements with final account balance due to the customer for two additional cycles (90 days). The

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<sup>1</sup> By Finding and Order entered on [insert date] in Case No. 09-1970-GA-UNC, the Company was authorized to immediately employ regular mail for the 10 day notice winter disconnect notice as will be permitted generally pursuant to amended Rule 4901:1-18-06(B) which will be effective on November 1, 2010.

Company also makes collection calls each time a statement is sent to the disconnected customer. These calls are noted on the customers' account.

Unpaid accounts greater than 90 days are considered delinquent. Payments are applied to the oldest unpaid invoice. The Company writes off bad debt after 180 days and sends a list of write-offs to a Collection Agency.