

FILE

WELTMAN, WEINBERG & REIS CO., L.P.A.

ATTORNEYS AT LAW



ANDREW J. SONDERMAN

Attorney at Law

614.857.4383

Fax 614.233.6826

asonderman@weltman.com

BROOKLYN HTS., OH

216.739.5100

CHICAGO, IL

312.782.9676

CINCINNATI, OH

513.723.2200

CLEVELAND, OH

216.685.1000

COLUMBUS, OH

614.228.7272

DETROIT, MI

248.362.6100

GROVE CITY, OH

614.801.2600

PHILADELPHIA, PA

215.599.1500

PITTSBURGH, PA

412.434.7955

February 19, 2010

Renée J. Jenkins, Secretary  
Docketing Division  
Public Utilities Commission of Ohio  
13<sup>th</sup> Floor  
180 E. Broad Street  
Columbus, Ohio 43215

RECEIVED-DOCKETING DIV  
2010 FEB 19 PM 5:14  
PUCO

Re: Case No. 08-723-AU-ORD, In the Matter of the Commission's Review 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: Supplement to Notification by Sheldon Gas Company

Dear Ms. Jenkins:

Sheldon Gas Company has no PIPP customers served under Commission-approved rates and has no PIPP Rider in its tariff. The Company does have PIPP customers served pursuant to municipal ordinance rates enacted by the Villages of Dunkirk, Forest and Vanlue.

As noted in my letter filed on February 5, 2010, Sheldon Gas Company prospectively intends to follow the Commission's long standing practice of not requiring natural gas companies such as Sheldon Gas Company who have fewer than 15,000 customers and no PIPP Rider to offer the PIPP Program. Sheldon Gas Company intends to continue to offer the PIPP program to current municipal ordinance PIPP customers. These current "grandfathered" PIPP customers shall continue to be served under Rule 4901:1-18-04 currently in effect prior to the amendments to Rules 4901:1-17 and 4901:1-18 that will be effective November 1, 2010.

At Staff's request, submitted herewith are the notices Sheldon Gas proposes to send to customers currently enrolled in PIPP, and to customers not currently enrolled, as well as a copy of its Residential Credit and Collection Policy indicating that Rule 4901:1-18-04

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 *OR*  
Date Processed 2/19/2010

Renée J. Jenkins, Secretary

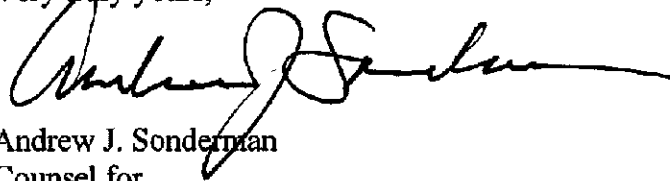
February 5, 2010

Page 2 of 2

currently in effect until November 1, 2010 will continue to be attached to the Policy for reference of grandfathered PIPP customers.

Please contact the undersigned if any additional information with respect to this notification is needed.

Very truly yours,

A handwritten signature in black ink, appearing to read "Andrew J. Sonderman", written over a horizontal line.

Andrew J. Sonderman  
Counsel for

Sheldon Gas Company

Attachment

AJS

## NOTICE TO PERCENTAGE OF INCOME PAYMENT PLAN CUSTOMER

February \_\_, 2010

Dear Customer:

Sheldon Gas Company 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 <http://energyhelp.ohio.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.

Sheldon Gas Company 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 Customer Service Representative at 1- (419) 759-2351 if you have any questions.

NOTICE TO CUSTOMERS NOT CURRENTLY ENROLLED IN  
PERCENTAGE OF INCOME PAYMENT PLAN

February \_\_, 2010

Dear Customer:

Pursuant to guidance from the Public Utilities Commission of Ohio, Sheldon Gas Company is terminating its Percentage of Income Payment Plan (PIPP) Program to Customers who are not currently enrolled in PIPP effective as of the date of this notice.

Sheldon Gas Company will continue to offer extended payment plans. Please contact a Sheldon Gas Company Customer Service Representative at 1- (419) 759-2351 if you have any questions.

**Sheldon Gas Company**  
**Residential Credit and Collections Policy**  
**February 11, 2010**

**Residential Credit Policy and Procedure Overview**

Sheldon Gas Company ("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 except that the Company does not offer the Percentage of Income Payment Plan ("PIPP") to residential customers. The Amended Rules will be substituted for the currently effective rules as attachments to this Residential Credit and Collections Policy and Procedure when they become effective on November 1, 2010.**

The Percentage of Income Payment Plan Rules do not apply as a result of the Commission's reaffirmation in Case No. 08-723-AU-ORD of its long-standing policy that natural gas utilities with fewer than 15,000 customers and no PIPP Rider are not required to offer PIPP (See Entry on Rehearing, p. 45). The Company has, however, agreed to continue to offer PIPP to those customers who were on the PIPP program and who continue to maintain their eligibility. Residential Customers who were enrolled in PIPP as of [notice date to 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.

Because the Company does not offer PIPP except in that very limited circumstance, references to PIPP in currently effective or amended Rule 4901:1-18-05 "Extended Payment Plans and Responsibilities", and the requirements stated in 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" do not apply to the Company and are not (and will not in the future be) included in this Residential Credit and Collections Policy. Customers who were on the PIPP program when the Company elected not to offer the program prospectively and as amended have been notified of the steps they must take to continue to participate in the PIPP program.

### **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 attached Rules contained in Chapter 4901:1-18, attached hereto governing Delinquent Bills, Extended Payment Plans and Responsibilities, Disconnection of Service, Reconnection of Service and Landlord-Tenant Provisions

Under the Company's tariff, bills for residential natural gas service are due fourteen days from the postmarked date on the bill and are deemed to be past due if payment is not received in

the Company's office by the fifteenth day from the postmark of the bill. A late payment charge of 5 percent of the customer's current monthly bill is applied to the customer account when the account is deemed past due.

Disconnection notices are provided as required by the Commission's attached rule "Disconnection Procedures for Electric, Gas and Natural Gas Utilities". 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 plan, the one-ninth plan effective November 1, 2010 and the one-third 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 July. 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 the 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 final bill for all accumulated charges. In cases of a fraudulent act or tampering this bill includes estimated charges for the unauthorized service usage and any charges for damages to the Company's property resulting from the fraudulent act or tampering. Payment is due fourteen days from the date of mailing. Collection is pursued on a timely basis. The Company sends a collection letter to final billed customers with unpaid balances. If the customer does not respond by the date given in the letter and the company believes this is collectible, the Company files suit against the customer in small claims court.