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The Public Utilities
Commission of Ohio

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10-2378-EL-CSS
Case Number

OCT 18 PM 1:46

Public Utilities Commission of Ohio
Attn: Docketing
180 E. Broad St.
Columbus, OH 43215

PUCO
Formal Complaint Form

East End Neighborhood House
Customer Name

2749 Woodhill Road
Customer Address

Cleveland OH 44104
City State Zip

Against

110023342576
Account Number

Customer Service Address (if different from above)

The Illuminating Company
Utility Company Name

City State Zip

Please describe your complaint. (Attach additional sheets if necessary)

In accordance to the Ohio Revised Code Section 4905.26, a summary of the facts of the complaint between the above-mentioned parties are set forth in the Addendum.

P. J. TW
Signature

(216) 707-6000
Customer Telephone Number

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Addendum

East End Neighborhood House (EENH) is a small nonprofit that has served children, families and seniors in the economically-depressed Buckeye and Woodland Hill areas of Cleveland for the past One Hundred Three (103) years.

On June 14, 2010, during a periodic meter exchange, The Illuminating Company installed a new meter at EENH located at 2749 Woodhill Road, Cleveland, Ohio 44104.

On August 23, 2010, EENH received a form letter from Denise Bellas of the Illuminating Company which stated, "During a routine verification of The Illuminating Co meters, it has come to the company's attention that the meters at this location had the wrong dial constant. Per the PUCO, we are able to bill the account to the date that you put service in your name or date that meters were installed." The Illuminating Company based their claim on a meter that they installed on May 19, 2005. More than five years later and after the company's alleged "routing verification," EENH received a bill for **Thirty Three Thousand Eight Hundred Fifty Nine dollars and Fifty-Two cents (\$33,859.52)**. EENH was offered two payment options other than paying in full: monthly over 60 months or monthly over 72 months.

On August 26, 2010, EENH received another form letter from Denise Bellas of the Illuminating Company. This letter was the same form letter as the first except the total amount due had been changed to **Twenty Eight Thousand Three Hundred Fifty Seven dollars and Seventy-Two cents (\$28,357.72)**. The Illuminating Company also offered an additional payment option of monthly payments over 84 months (all amounts, of course, in addition to current billing).

During phone conversations in response to the above-mentioned letters, EENH explained to The Illuminating Company that it does not have the financial reserves to afford any of proposed payment options and, more importantly, fails to understand why EENH should be held accountable for payment when it had no control over meter installation or the dial constant. EENH argues that this financial mistake made by The Illuminating Company is a matter of their own.

In response to the phone conversations between EENH and The Illuminating Company, First Energy's Vice President of Community Relations, Lorna Wisham, assigned Chad Self from her staff on this matter. On September 15, 2010, during a phone conversation, Chad Self asked Paul Hill, Jr., President and Chief Executive Officer of EENH, for available dates when Chad Self and Denise Bellas could meet with him to "creatively" come up with a way for EENH to pay the total amount The Illuminating Company considers as "past due." Chad Self stated, "The Illuminating Company is not willing to negotiate."



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At the above-mentioned meeting on September 15, 2010 Paul Hill, Jr. requested an informal investigation. At that time, both Denise Bellas and Chad Self informed Paul Hill, Jr. that, "The informal investigation request by EENH would be in favor of the Illuminating Company." In addition, when Denise Bellas was asked if this type of error has happened in the past with other customers, she replied, "More than we like." Denise Bellas attempted to inhibit Paul Hill, Jr. from further pursuing an investigation to this matter. EENH argues that the statement made by Denise Bellas and Chad Self is an indication that both individuals **failed to follow The Illuminating Company's rules and regulations on file with the Commission.**

On or about October 4, 2010, in a phone conversation with Paul Hill, Jr., a representative from The Illuminating Company admitted to their dial constant error but that the company still refuses to accept financial responsibility beyond the Twenty Eight Thousand Three Hundred Fifty Seven dollars and Seventy-Two cents (\$28,357.72). Subsequently, EENH was offered one last payment plan option: balance to be paid over 120 months.

EENH argues that The Illuminating Company's demand to pay Twenty Eight Thousand Three Hundred Fifty Seven dollars and Seventy-Two cents (\$28,357.72) **is unjust and unreasonable.** EENH is a nonprofit organization that relies on monies from its funders. The budget is set at the beginning of the fiscal year and is based on the income received from its funders and various grants. EENH is simply not able to go back five years and ask funders for nearly Thirty Thousand dollars.

This financial demand on EENH will result in the loss of one of the following much needed services to children and families:

- The salary of an experienced/licensed social worker who provides emergency services to approximately 20-25 families per month.
- The salary of an experienced/state certified teacher who serves 18 school age students.
- 70% of a summer program serving 62 school age students.
- Home delivered meals to 80 homebound seniors to eat 6 days per week for a year.
- Annual transportation expenses for 92 low-income seniors who volunteer 88,000 hours of service to 1,000 special needs children in schools, day cares and community centers throughout the city of Cleveland.
- A year's worth of Wrap Around Funds for families with children facing the following challenges:
 - Lack of housing (due to foreclosure and or unemployment)
 - Lack of food (due to unemployment or extreme poverty)
 - Lack of utilities (due to unemployment, foreclosure or extreme poverty)
 - Lack of school needs such as uniforms, supplies, etc. (due to unemployment, extreme poverty and/or cut in uniform assistance programs for families)



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- Other emergency needs necessary to maintain a caring and safe environment for children and families, and to combat hunger and homelessness.

The Illuminating Company stated the dial constant error that caused the Twenty Eight Thousand Three Hundred Fifty Seven dollars and Seventy-Two cents (\$28,357.72) bill was discovered during a routine verification. The meter that contained the wrong dial constant was put in place in 2005, yet the error was discovered in 2010. It is hard to believe that a large public utility company conducts its routine verification every five or so years. Furthermore, it is unreasonable to expect that a nonprofit organization like EENH pay for a bill that includes charges which had been accumulating for more than five years unbeknownst to EENH. If EENH were notified of the dial constant error in 2005, when the actual error was made, EENH would have been better positioned to make the appropriate financial decisions and preparations.

Based on the facts summarized in this complaint, EENH is also asking the Commission for the following:

- To provide the necessary services to prevent the termination of electrical services during the pendency of this complaint;
- To compel The Illuminating Company to provide a detailed billing of the alleged charges to establish:
 - If there are penalties and interest;
 - Whether or not the past due balance represents the difference of the charges for the correct dial constant and actual monthly payments made for the period of May 19, 2005 to the most recent bill; or
 - If the alleged charges are simply estimates.
- Assistance with entering into a repayment agreement that is not to exceed 12 months and a total of Five Thousand Six Hundred Seventy One dollars and Fifty-four cents (\$5,671.54), which is approximately 20% of the balance owed of Twenty Eight Thousand Three Hundred Fifty Seven dollars and Seventy-Two cents (\$28,357.72).