

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Commission's Review)	
Of its Rules for the Establishment of Credit)	
For Residential Utility Services and the)	
Disconnection of Gas, Natural Gas, or)	Case 13-274-AU-ORD
Electric Services to Residential Customers)	
Contained in Chapters 4901:1-17 and)	
4901:1-18 of the Ohio Administrative Code.)	

**REPLY COMMENTS OF
OHIO POWER COMPANY**

Introduction:

Ohio Power Company (AEP Ohio) submits these reply comments for Commission consideration. By entry dated January 13, 2013 the Commission initiated a workshop held on March 5, 2013 to elicit feedback regarding the current Establishment of Credit and Disconnection Rules for residential Customers from interested stakeholders. Based on feedback from stakeholders, an entry dated June 11, 2013, sought comments from interested parties to review the various rules related to utility matters found in OAC 4901:1-17, Establishment of Credit for Residential Service, and 4901:1-18 Termination of Residential Service. Those comments were set to be filed no later than June 12, 2013, with reply comments due by August 2, 2013. AEP Ohio appreciates this opportunity to provide the Commission with input and respectfully submits the following reply comments. To the extent any specific comment raised by a party in the initial comments is not addressed by AEP Ohio it should not be treated as agreement by the Company.

O.A.C. Section 4901: 1-17-03 (various sections) Establishment of Credit

DP&L points out that property ownership does not correlate to a customer's credit worthiness and should be stricken from the current rule. AEP Ohio supports this change to the rule and agrees that owning property and paying bills in full and on time do not correlate.

DP&L also suggests that language should be added concerning the criteria a guarantor must meet in order to be a guarantor, such as, not being on a current PIPP Plus plan or not having PIPP arrearages to qualify as a guarantor. AEP Ohio can also support this recommendation and addition to the current rules.

The addition of various guarantor requirements, as mentioned by First Energy Company's (FE's) initial comments, would indeed add additional cost and time for the utilities to implement. The additional programming required to send a notice to a customer whose guarantor's service is subject to disconnect, and also sending a notice to a guarantor when the account they are securing is either moved or transferred would add additional cost and work to each utility and should not be added to the electric rules.

O.A.C. 4901: 1-17-05 (A) & (C) Deposit Administration Provisions

AEP Ohio supports this DP&L recommendation that the deposit rate should be changed from 130% of an average monthly bill to a 200% deposit of an average monthly bill for customers who have not shown as being creditworthy. Because utility service is one of the few services where customers pay for usage after consumption, having a two month security on an account would better correlate to the reality of the industry and actually benefit customers. Allowing utilities to collect two months of security would

decrease the amount of uncollectables the utilities would see and that are shouldered by other rate payers. AEP Ohio also supports that position that customers who do not provide proof of identity to open service should be assessed a 200% deposit of an average monthly bill since those customers most of the time are already avoiding a previous unpaid debt with the company. AEP Ohio agrees with DP&L's other comment that the current deposit rate should be adjusted to reflect the current interest rate today.

O.A.C. 4901:1-18-04 (C) Delinquent Bills

AEP Ohio still believes portions of this proposed change are counterintuitive and needs to be struck. The proposed rule states, "The utility company may transfer the balance of a delinquent account to any like account held in the customer's name. A utility company may not transfer balances to or from PIPP Plus accounts'." DP&L and FE proposed rule clarifications but AEP Ohio suggests that the last sentence be stricken all together for the reasons stated in the initial comments.

O.A.C. 4901:1-18-05 Extended Payment Plans and Responsibilities

The Consumer Groups' comments advocate for a twelve month payment plan option. AEP Ohio suggests that a twelve month payment plan is not needed and if implemented would cause an increased cost to program and implement for the utilities.

In addition the Consumer Groups advocate that a cap be placed on the amount a customer pays when on a payment plan. While AEP Ohio understands the concern, the Company supports encouraging a customer to continue to pay their bill in full because it enforces the idea of energy efficiency and leads to customers managing their usage to lower their bill. The Commission does not want to create an incentive to waste. An

artificial cap on payments also may cause a customer to continually be in arrears and never catch up on their payments causing more harm to customers then helping them.

Conclusion

AEP Ohio thanks the Commission for the opportunity to comment and respectfully requests that the Commission consider the comments above.

Respectfully submitted,

//ss//Matthew J. Satterwhite

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Summary: Comments Reply Comments of Ohio Power Company electronically filed by Mr. Matthew J Satterwhite on behalf of Ohio Power Company