

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
Interstate Gas Supply, Inc., for a Waiver) Case No. 14-1740-EL-WVR
of Ohio Adm.Code 4901:1-10-29(D)(6)(b)) Case No. 14-1741-GA-WVR
and 4901:1-21-06(D)(1)(h).)

FINDING AND ORDER

The Commission finds:

- (1) On October 1, 2014, Interstate Gas Supply, Inc. (IGS), filed an application requesting that the Commission grant a waiver of certain requirements set forth in Ohio Adm.Code 4901:1-21-06 and 4901:1-29-06, with respect to third-party verification.
- (2) On October 10, 2014, IGS filed a "notice of clarification" regarding its application.
- (3) On October 16, 2014, a motion to intervene was filed by the Ohio Consumers' Counsel (OCC). No memorandum contra was filed to OCC's motion to intervene. The Commission finds that the motion to intervene is reasonable and should be granted.
- (4) In its application, IGS notes that Ohio Adm.Code 4901:1-29-06(D)(6)(b) was recently revised in *In re Comm. Review of its Rules for Competitive Retail Natural Gas Serv.*, Case No. 12-925-GA-ORD, to require 100 percent third-party verification for door-to-door enrollments for solicitations for competitive retail natural gas service (CRNGS). Additionally, IGS notes that Ohio Adm.Code 4901:1-21-06(D)(1)(h) was recently revised in *In re Comm. Review of its Rules for Competitive Retail Elec. Serv.*, Case No. 12-1924-EL-ORD, to require 100 percent third-party verification for door-to-door enrollments for solicitations for competitive retail electric service (CRES).
- (5) IGS asserts that traditional door-to-door solicitations require the consumer protections provided by the third-party verification. However, IGS states that it has developed a process for customer enrollment that uses an IGS employee

Home Energy Consultant (HEC) equipped with technology that enables customer enrollment at a customer's home. According to IGS, HEC enrollment conducts an electronic enrollment with the customer via a mobile internet protocol. IGS asserts that HEC enrollment allows a customer to enroll with a CRES or CRNGS product through the HEC's tablet computer, and that the tablet computer has a GPS mechanism that allows IGS to track the time and location of customer solicitations and enrollments. Additionally, IGS states that, when an enrollment is made, the tablet computer verifies the customer's consent to terms and conditions via electronic signature and also verifies via electronic signature that the customer acknowledges the specific statements set forth in Ohio Adm.Code 4901:1-29-06(D)(6)(a). Further, IGS notes that the HEC enrollment process gives customers the option to receive a physical copy of the terms and conditions and acknowledgement form, upon which the physical copy is provided to the customer at the time of the sale. Alternately, with a customer's consent, the terms and conditions are emailed to the customer immediately upon enrollment.

- (6) Additionally, IGS asserts that the HEC process also contains enhanced consumer protections because the HECs are all direct employees of IGS; the HECs are compensated primarily with base pay; the HECs are assigned to specific geographic sales territories; customers enrolling through the HEC process receive a follow-up telephone call from IGS requesting feedback; and the HEC leaves behind a business card with information for customers on how to provide feedback to IGS.
- (7) IGS asserts that, because of these enhanced consumer protection procedures in the HEC process, the Commission should waive the third-party verification requirements set forth in revised Ohio Adm.Code 4901:1-21-06(D)(1)(h) and 4901:1-29-06(D)(6)(b) for transactions that take place using the HEC enrollment process.
- (8) Finally, in its notice of clarification, IGS states that, if a customer elects to enroll via a physical wet signature

contract, it would follow the third-party verification requirements set forth in Ohio Adm.Code 4901:1-21-06(D)(1)(h) and 4901:1-29-06(D)(6)(b).

- (9) The Commission notes that Ohio Adm.Code Chapters 4901:1-21 and 4901:1-29, regarding CRES and CRNGS providers, respectively, are intended to provide minimum standards for service quality, safety, and reliability; provide customers with sufficient information to make informed decisions about CRES and CRNGS; and protect customers against deceptive, unfair, and unconscionable acts and practices in the marketing, solicitation, and sale of CRES and CRNGS and in the administration of any contracts for such services.
- (10) After thoroughly reviewing IGS' request for waiver of Ohio Adm.Code 4901:1-21-06(D)(1)(h) and 4901:1-29-06(D)(6)(b) for the specific purpose of implementing its HEC process, the Commission finds that the request for the specified waivers should be granted. The Commission emphasizes that the HEC process as described in IGS' filing must meet the internet enrollment provisions of Ohio Adm.Code 4901:1-21-06(D)(3) and 4901:1-29-06(F), with the additional provisions that IGS shall send an electronic copy of the terms and conditions to the customer's email address. If the customer does not provide an email address or refuses an electronic copy, a third-party verification of the enrollment shall be required.
- (11) Finally, the Commission notes that the waivers granted are limited to the purpose of this case only and do not impact the Commission's ability to reconsider this issue in any future proceeding.

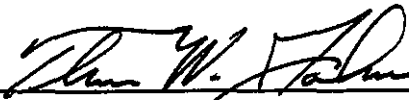
It is, therefore,

ORDERED, That the motion to intervene filed by OCC is granted. It is, further,

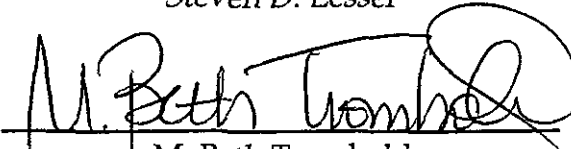
ORDERED, That IGS' application for a waiver is granted in accordance with Finding (10). It is, further,

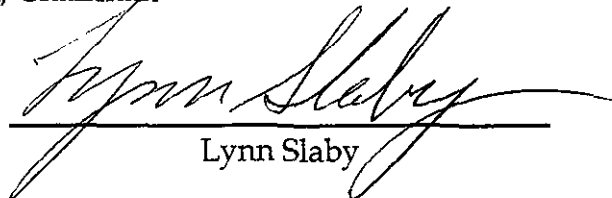
ORDERED, That a copy of this Finding and Order be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Thomas W. Johnson, Chairman


Steven D. Lesser


M. Beth Trombold



Lynn Slaby


Asim Z. Haque

MWC/sc

Entered in the Journal

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Barcy F. McNeal

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Secretary