

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke :
Energy Ohio, Inc.'s Distribution Capital : Case No. 19-0187-EL-WVR
For a Waiver of Ohio Adm.Code :
4901:1-18-06-(A)(2). :

**COMMENTS
SUBMITTED ON BEHALF OF THE STAFF OF
THE PUBLIC UTILITIES COMMISSION OF
OHIO**

Background

On May 13, 2016 in Case No. 16-1096-EL-WVR, Duke Energy Ohio, Inc. (Duke or Company) filed an application (2016 application) with the Public Utilities Commission of Ohio (Commission) for a limited waiver of Ohio Adm.Code 4901:1-18-06(A)(2) (rule), which addresses personal notice of pending disconnection of residential utility service for nonpayment. In relevant part, the rule states the following:

On the day of disconnection of service, the utility company shall provide the customer with personal notice. If the customer is not at home, the utility company shall provide personal notice to an adult consumer. If neither the customer nor an adult consumer is at home, the utility company shall attach written notice to the premise in a conspicuous location prior to disconnecting service.

Under the provisions of the 2016 application, the waiver would allow Duke to replace the personal notice on the day of disconnection with a text message and/or telephone call to the customer. Comments were filed by Staff as well as intervening parties Ohio Consumers' Counsel, Ohio Partners for Affordable Energy, Communities United for Action, Pro Seniors, Inc. and the City of Cincinnati. On July 22, 2016, the Company filed an amended application (amended application) in which Duke proposed an additional text message and/or telephone call to the customer two business days prior to the date on which the customer's service was eligible for disconnection.

On March 8, 2017, the Commission issued a Finding and Order approving the amended application with certain modifications for the period May 1, 2017 through May 1, 2019, or until otherwise ordered by the Commission. Further, the Commission stated that should Duke want to continue the pilot, Duke must file a request with the Commission and notify the parties by March 1, 2019.

On January 30, 2019 in Case No. 19-0187-EL-WVR, Duke filed an application (extension application) for continuation of the waiver as approved in Case No. 16-1096-EL-WVR.

Pilot Metrics

As part of the Commission's approval of the amended application, the Commission directed Duke to work with Staff on the substance, format, and timing of data collected regarding the impact of the waiver. Duke has provided to Staff monthly updates. Attachment A to the extension application contains data collected by Duke and reported to Staff as of the date of these comments.

Avoided Disconnection Rates

Staff tracked and examined the rate at which customers responded to the alternative means of notification approved by the Commission in Case No. 16-1096-EL-WVR. Staff found that on an average monthly basis, 75 percent of customers scheduled for disconnection for nonpayment responded to one of the alternative means of notification and made the payment required to avoid disconnection.

Call Success

Staff examined the rates at which phone calls were answered by either a live person or voice mail and found that 77 percent of calls made two days prior to scheduled disconnection were successfully completed. As 69 percent of those resulted in the customer making payment and avoiding disconnection, the percentage of successful calls made on the day of scheduled disconnection was expectedly lower at 63 percent.

Complaints

Zero informal complaints were received by either Duke or PUCO regarding disconnection without personal notice.

Reconnection Failures

One of the benefits of automated remote disconnection is automated remote reconnection. Staff tracked those instances when a technological failure prevented remote reconnection

after the customer made payment. Staff found that an average of 99% of remote reconnections were successful each month.

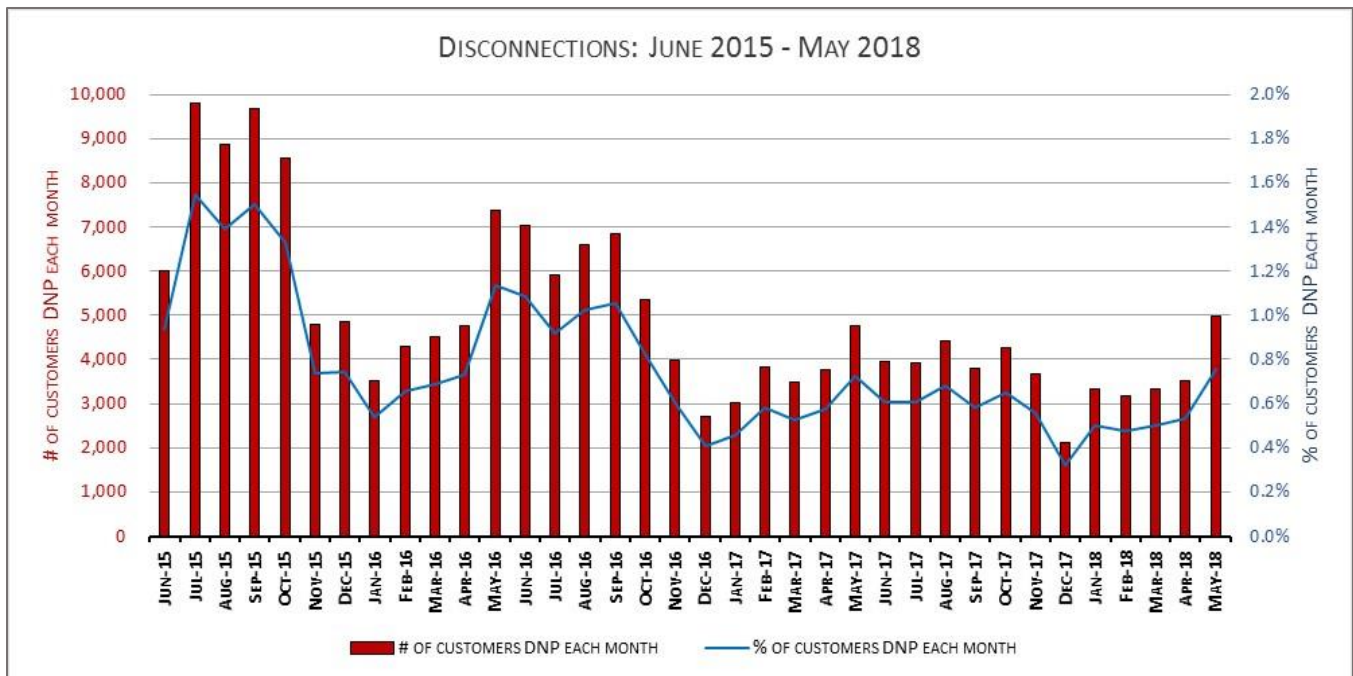
Disconnection Rates

Under Ohio Revised Code 4933.123, all energy companies such as Duke are required to file an annual written report on service disconnections for nonpayment each year on or before June 30. The report includes, among other metrics, the total number of service disconnections for nonpayment and total number of residential customers for the 12-month period ending on the preceding May 31. Duke filed its most recent report on June 27, 2018 in Case No. 18-0757-GE-UNC.

Staff examined the Company's 2018 report as well as reports filed in previous years¹ and calculated the average rate of disconnections for nonpayment monthly. In doing so, Staff found that not only has the number of disconnections decreased, but so has the rate of disconnections relative to the number of customers has decreased. For the period June 2015 – May 2016, an average of 1% of Duke customers were disconnected each month. That percentage decreased to 0.7% for the full year prior to the approval of the waiver, and for the first year of the waiver, an average of 0.6% of Duke customers were disconnected for nonpayment each month².

¹ See *In the Matter of the Annual Report of Service Disconnections for Nonpayment Required by R.C. 4933.123*, Case No. 17-1069-GE-UNC, Duke Energy Ohio's Report of Service Disconnections for Nonpayment (June 28, 2017); see also *In the Matter of the Annual Report of Service Disconnections for Nonpayment Required by R.C. 4933.123*, Case No. 16-1224-GE-UNC, Duke Energy Ohio's Report of Service Disconnections for Nonpayment (June 30, 2016).

² Data required to conduct this analysis for the second year of the waiver will be available in the annual report on service disconnections for nonpayment for the 12 month period ending May 31, 2019, due to be filed on or before June 30, 2019.



As waiving the requirement to provide personal notice of pending disconnection eliminates the need to dispatch a service technician to the premises, Staff expected that disconnections in the pilot area would increase. The fact that the rate of disconnection has remained approximately constant if not decreased slightly further suggests that Duke customers have been responsive to the alternative means of notification approved in Case No. 16-1096-EL-WVR, and adjusted their behavior accordingly.

However, the Company is expected to comply with all other rules and regulations that pertain to the termination of residential service.

Staff Recommendations

Duke stated in the amended application that prior to the use of any alternative means of notification, less than 20 percent of disconnection work orders were canceled³, presumably because the customer made the payment or payment arrangements required to avoid disconnection. Further, Duke stated in response to objections by the Ohio Consumers' Counsel that when company personnel is dispatched to a premises to provide

³ *Application for Waiver by Duke Energy Ohio, Inc.*, Case No. 16-1096-EL-WVR, Amended Application (July 22, 2016) at 2.

personal notice on the day of disconnection, customer contact is made approximately 7% of the time⁴.

Staff believes that the data provided by Duke demonstrates that customers are more responsive to the methods of alternative notification approved on a pilot basis in Case No. 16-1096-EL-WVR. Staff recommends that the extension application is approved, subject to the following conditions:

1. Duke will add a permanent bill message advising customers that in the event they are scheduled for disconnection due to nonpayment of a past due electric bill, they will not receive personal notice at their premises on the day of disconnection. Duke will work with Staff regarding the wording and placement of this message.
2. Duke will send separate notification, either as a mailing or bill insert, advising customers that they will not receive personal notice at their premises on the day of scheduled disconnection for nonpayment. Duke will work with Staff regarding the wording of this notification.
3. Duke will endeavor to ensure that the phone numbers on file for customers are current and accurate to the best of their ability.
4. Duke will work with social service agencies, community organizations, and any other interested parties to identify vulnerable and/or critical care customers, and those customers will continue to be excluded from the waiver.
5. Duke will continue to collect the monthly metrics as was agreed upon in Case No. 16-1096-EL-WVR. Duke will provide this data to Staff on an annual basis, on or around July 1st each year, or when otherwise requested by Staff.

⁴ *Application for Waiver by Duke Energy Ohio, Inc.*, Case No. 16-1096-EL-WVR, Duke Energy Ohio, Inc.'s Reply to the Objections of the Office of the Ohio Consumers' Counsel (June 29, 2016) at 3.

Respectfully submitted,

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PROOF OF SERVICE

I hereby certify that a true copy of the foregoing **Comments** submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail upon the following Parties of Record, this 10th day of May, 2019.

/s/ Steven L. Beeler

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Summary: Comments electronically filed by Ms. Yvette L Yip on behalf of the Public Utilities Commission of Ohio