

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of Duke)	
Energy Ohio, Inc., for a Waiver related)	Case No. 18-1683-EL-WVR
to Ohio Administrative Code Rule)	
4901:1-10-20.)	

REPLY COMMENTS OF DUKE ENERGY OHIO, INC.

Duke Energy Ohio, Inc., (Duke Energy Ohio or Company) filed an application for a waiver of one aspect of a rule applicable to electric service, so that its service to both electric and natural gas customers could operate in the same fashion. Without such a waiver, the Company must comply to both electric and natural gas procedures, doubling the costs relating to customers who receive both services and increasing the likelihood of customer confusion, without providing any additional benefits. We appreciate that Staff (Staff) of the Public Utilities Commission of Ohio (Commission) understands the goal and supports the granting of a waiver.

Duke, as a combination electric and natural gas provider, must abide by both the electric and natural gas administrative rules and as such faces an increased administrative burden when the administrative rules are not in harmony as in the case here. In addition, differing processes and procedures for the same Company can create customer confusion. Therefore, Staff recommends approval of the waiver.¹

On the other hand, the Office of the Ohio Consumers' Counsel (OCC) neither understands the benefit of the proposed waiver nor supports it. In these Reply Comments, Duke Energy Ohio will explain the fallacies inherent in OCC's arguments.

¹ Staff Comments, pg. 3 (June 6, 2019).

Impacts of Requested Waiver on Customers

OCC describes the requirement to deliver a disconnection notice in person to electric customers suspected of fraud as a “consumer protection.” However, even though OCC must be aware of the fact that no such in-person delivery is required for gas customers suspected of fraud, it makes no attempt to rationalize this difference. Indeed, OCC claims that “[i]n-person notice is important for informing customers of their rights regarding disconnection of their electric service due to suspected fraud.”² But it makes this claim without providing any proof why electric customers suspected of fraud need in-person notice on a different schedule than do gas customers suspected of fraud. It should also be noted that, in the last proceeding to review and revise the gas rules that include disconnections for fraud, even OCC made no argument that customers must receive hand-delivered initial notices.³ Apparently hand-delivery was not as critical as OCC now argues.

OCC also fails to explain why it is so important to hand deliver the notices for electric customers when even the existing rule allows a utility to leave the notice at the premises if no adult consumer is present. There is no suggestion that leaving a notice at the door will help educate the customer more than mailing it. This is a vital distinction considering how many people are not at home during the day.

It is also important to recognize that the Company has not sought to avoid providing hand delivery of disconnection notices for fraud; it only seeks to provide such notices on the same schedule for both electric and gas disconnections.

- Under the current rules, an electric utility suspecting a customer of fraud must start the disconnection process by hand-delivery of written notice to the customer,

² OCC Comments, pg. 4 (June 6, 2019).

³ *In the Matter of the Commission’s Review of Chapter 4901:1-13 of the Ohio Administrative Code, Regarding Minimum Gas Service Standards*, Case No. 13-2225-GA-ORD.

which notice must provide certain identified information. It must then wait at least three business days to allow the customer to call in response to that notice. If the customer does call and no satisfactory explanation is provided to the utility, then the utility must provide a written statement to that effect and then wait at least two business days before disconnecting. No additional notice is required on the actual date of disconnection.

- On the other hand, a gas utility suspecting a customer of fraud must start the disconnection process by delivering or sending written notice to the customer, which notice must provide certain identified information. It must then wait at least three business days to allow the customer to call in response to that notice. If the customer does call and no satisfactory explanation is provided to the utility, then the utility must provide a written statement to that effect and then wait at least two business days before disconnecting. Notice of actual disconnection must be left at the service location.

These differences can be summarized as follows:

	Electric O.A.C. 4901:1-10-20	Gas O.A.C. 4901:1-13-09
Delivery of notice	By hand	By hand or by mail
Waiting period	3 days or 2 days	3 days or 2 days
Notice at disconnection	None	Leave notice at location

All Duke Energy Ohio is asking is to be allowed to follow a single procedure for both types of customers.

OCC should also respect the fact that this waiver will diminish customer confusion. Without the waiver, a customer receiving both electric and gas service from Duke Energy Ohio will receive two separate initial notices and only one final disconnection notice. The customer

will have no idea why different procedures are followed for the different services. This is a valuable, pro-consumer change.

Cost-Savings

OCC proposes that, if the waiver is granted, the Company should credit any resultant cost-savings to customers. OCC claims that anything less would allow the Company to “reap a windfall.”⁴ The problem with OCC’s logic is that it fails to account for the fact that the Company is experiencing an increase in fraudulent behavior. This means that the expenses the Company incurs as a result of making two trips to a customer location rather than one are not necessarily reflected in current base rates.

OCC’s suggestion should be rejected.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

/s/ Jeanne W. Kingery

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⁴ OCC Comments, pg. 5 (June 6, 2019).

CERTIFICATE OF SERVICE

I certify that a copy of these Reply Comments was served on the persons stated below, via electronic transmission, this 20th day of June, 2019.

/s/ Jeanne W. Kingery
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Summary: Reply Reply Comments of Duke Energy Ohio, Inc. electronically filed by Ms. Emily Olive on behalf of Duke Energy Ohio and D'Ascenzo, Rocco O. Mr. and Kingery, Jeanne W. Ms.