

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
OHIO POWER COMPANY FOR A WAIVER
OF OHIO ADM.CODE 4901:1-10-
33(C)(13).

CASE NO. 19-1389-EL-WVR

FINDING AND ORDER

Entered in the Journal on September 26, 2019

I. SUMMARY

{¶ 1} The Commission grants Ohio Power Company d/b/a AEP Ohio a limited waiver of Ohio Adm.Code 4901:1-10-33(C)(13), which requires due dates for residential bills issued outside the state to be no less than twenty-one days, for a period of one year, consistent with this Finding and Order.

II. DISCUSSION

{¶ 2} Ohio Power Company d/b/a AEP Ohio (AEP Ohio or the Company) is an electric distribution utility, as defined in R.C. 4928.01(A)(6), and a public utility, as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 3} Ohio Adm.Code 4901:1-10-33(C) identifies information which an electric utility must include in a customer's bill. Specifically, about a bill's due date, Ohio Adm.Code 4901:1-10-33(C)(13) states that "the due date shall not be less than fourteen days from the date of the postmark." With regard to "residential bills being issued from outside the state of Ohio the due date shall be no less than twenty-one days."

{¶ 4} On July 2, 2019, AEP Ohio filed an application for a waiver of Ohio Adm.Code 4901:1-10-33(C)(13). In support of its application, AEP Ohio states it has been printing and mailing customer bills from its Canton, Ohio office for over 20 years. Beginning in 2011, AEP Ohio states that United States Postal Service (USPS) moved its distribution center from Canton, Ohio to Cleveland, Ohio. As a result of this change, AEP Ohio states that there is now an additional day of delay day between when bills are printed at the Canton facility, taken to Cleveland, sorted and mailed to customers, and when customers actually receive

the bills. Due to the USPS change, and to reduce costs to Ohio customers, AEP Ohio states that it has decided to move the bill print and mailing functions out-of-state to a third party located in Indianapolis, Indiana.

{¶ 5} AEP Ohio indicates various reasons why a waiver of Ohio Adm. Code 4901:1-10-33(C)(13) is appropriate in this case even though it is moving its bill print and mailing function out-of-state. First, AEP Ohio points out that under the proposed new process, customers will receive their bills one day sooner, and consequently, there is no need to extend the bill due date to 21 days. Second, AEP Ohio notes that in addition to billing for electric delivery and standard service offer services, in many cases it bills for competitive retail electric service (CRES) provider supply services. AEP Ohio states that delaying the due date for AEP Ohio receivables will also delay the payment of CRES provider receivables, for which AEP Ohio provides consolidated billing. Third, AEP Ohio states that changing the due date to 21 days will confuse customers who are in a “disconnect for non-pay” situation. With a delayed payment date, AEP Ohio posits that it is likely a customer will receive a disconnect notice, noting the amount to avoid disconnection, and shortly afterwards will receive a second bill, which will become due and payable before the disconnect date. According to AEP Ohio, this will increase the amount that a customer must pay to avoid disconnection to equal two or more months of bills, which may confuse and frustrate customers, and thereby increase the likelihood that customers will have their electric service disconnected.

{¶ 6} On July 22, 2019, the Ohio Consumers’ Counsel (OCC) filed a motion to intervene in these proceedings. On July 25, 2019, Ohio Partners for Affordable Energy (OPAE) filed a motion to intervene in these proceedings. In the motions to intervene, OCC and OPAE assert a direct, real, and substantial interest in these matters, the disposition of which may impair or impede OCC’s and OPAE’s ability to protect those interests. OCC and OPAE assert that no other party to these matters can adequately represent their interests and their respective participation in these proceedings will not cause undue delay, will not unjustly prejudice any existing party, and will contribute to the just and expeditious

resolution of the issues presented. No memorandum contra to OCC's or OPAE's motion to intervene was filed. Upon review, the Commission finds that the motions to intervene are reasonable and should be granted.

{¶ 7} On August 12, 2019, Staff filed correspondence in this docket, indicating that it does not oppose AEP Ohio's request. Staff believes that AEP Ohio has shown good cause for the waiver of the requirement that bills issued out-of-state have a due date of at least twenty-one days from the date of the postmark. Furthermore, Staff represents that if the Commission approves AEP Ohio's request, then it will monitor customer complaints for indications of customer confusion, untimely bills, or other customer harm, and will file additional comments on the docket, if needed.

{¶ 8} On August 13, 2019, OCC filed comments opposing AEP Ohio's request for waiver, arguing that the Company had failed to show the required good cause for its request. OCC states that while it supports cost saving measures, AEP Ohio does not identify specific amounts that would be saved by printing and mailing utility bills in Indianapolis and how these savings would be passed down to consumers. Furthermore, OCC attempts to refute AEP Ohio's contention that consumers would receive their bills a day early under the new process. OCC states that according to the USPS website, standard mail between states is delivered within two to five days, while mail delivery within the same state is generally accomplished in two to three days. Consequently, according to OCC, under AEP Ohio's new process, consumers will be harmed by having less time to pay their out-of-state bills. Finally, OCC points out that AEP Ohio itself acknowledges that changing the due date to 21 days may cause confusion for customers scheduled for disconnection because of uncertainty regarding the amount due to avoid disconnection and the due date for such payment. OCC suggests that AEP Ohio can itself eliminate customer confusion by adjusting its own disconnection notice schedule instead of requesting a waiver of the 21-day out-of-state bill due date requirement.

{¶ 9} Ohio Adm.Code 4901:1-10-02(C) permits the Commission, upon an application or motion by any party, to waive any requirement of Ohio Adm.Code Chapter 4901:1-10 not mandated by statute for good cause shown. Upon consideration of the application and Staff's recommendation, the Commission finds that good cause exists to grant AEP Ohio's request of a waiver of Ohio Adm.Code 4901:1-10-33(C)(13). However, considering the various issues highlighted by OCC, and in order to monitor AEP Ohio's new proposed process, we approve AEP Ohio's request for a period of one year beginning from the date of this Finding and Order, subject to the following directives. During this year, we direct Staff to monitor customer complaints for any issues emerging from AEP Ohio transitioning its bill print and mailing function out-of-state. If any issues are noted, Staff should file comments on this docket prior to end of the one-year period. OCC and OPAE should also file comments if they identify issues with AEP Ohio's transition prior to the end of the one-year period. At the end of the period, AEP Ohio should file a motion requesting an extension of the waiver indefinitely. The Commission will grant or deny the motion based on the comments filed by Staff, OCC, and OPAE. The Commission's approval of this one-year waiver is contingent upon AEP Ohio's continued compliance with all other requirements imposed by Title 49 of the Revised Code and the Commission's rules. The Commission may suspend or terminate the waiver, at the Commission's sole discretion, for good cause.

III. ORDER

{¶ 10} It is, therefore,

{¶ 11} ORDERED, That AEP Ohio's application for waiver of Adm.Code 4901:1-10-33(C)(13) be granted for period of one-year subject to the parameters identified in Paragraph 9. It is, further,

{¶ 12} The motions to intervene filed by OCC and OPAE be granted in accordance to Paragraph 6. It is, further,

{¶ 13} ORDERED, That a copy of this Finding and Order be served upon all interested persons of record in these matters.

COMMISSIONERS:

Approving:

Sam Randazzo, Chairman

M. Beth Trombold

Lawrence K. Friedeman

Daniel R. Conway

Dennis P. Deters

AS/mef

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Summary: Finding & Order that the Commission grants Ohio Power Company d/b/a AEP Ohio a limited waiver of Ohio Adm.Code 4901:1-10-33(C)(13), which requires due dates for residential bills issued outside the state to be no less than twenty-one days, for a period of one year, consistent with this Finding and Order. electronically filed by Docketing Staff on behalf of Docketing