BEFORE THE

PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Duke Energy Ohio, Inc., for Approval of Bill Format Changes.	)))	Case No. 19-1593-GE-UNC

COMMENTS OF DUKE ENERGY OHIO, INC.

Duke Energy Ohio, Inc., (Duke Energy Ohio or Company) responds herein to the comments submitted by the Office of the Ohio Consumers' Counsel (OCC). For the reasons set for the below, OCC's comments should be rejected.

On August 27, 2019, Duke Energy Ohio filed an application for approval of new bill formats that will be used when the Company completes its transition to a new customer information and billing system that is referred to as Customer Connect. Pursuant to O.A.C. Rule 4901:1-10-22(C), if an application for sample bill approval is not acted upon within forty-five calendar days, said sample shall be deemed approved on the forty-sixth day after filing.

On September 16, 2019, OCC filed a motion to suspend the automatic approval process for Duke Energy Ohio's proposed bill formats. On October 10, 2019, the Attorney Examiner suspended that process. Thereafter, the Attorney Examiner established a procedural schedule that directed intervenors to file comments on November 6, 2019. The Staff of the Public Utilities Commission of Ohio (Staff), OCC and Interstate Gas Supply, Inc., each submitted comments. Pursuant to the Attorney Examiner's Entry, Duke Energy Ohio responds herein to the comments of OCC and Staff.

I. COMMENTS OF THE OFFICE OF THE OHIO CONSUMERS' COUNSEL

First, OCC argues that the Public Utilities Commission of Ohio should amend the Company's bill format to provide "accurate" information to customers regarding the cost of reconnection. In response, Duke Energy Ohio notes that the filed formats were initially developed in 2018, prior to the amended reconnection fee and associated tariff. The reconnection message on the back of the bill will updated to reflect the current, approved tariff, and the message will state: "The reconnection fee is $10 for electric service that may be reconnected remotely, $69 for electric service that is not eligible to be reconnected remotely, and $17 for gas service. In such situations where both the electric and gas service are disconnected for non-payment, the reconnection fee will not exceed $38." Additionally, as new tariffs are amended and approved by the Commission, the appropriate updates will be made to the Company's bills.

Next, OCC argues that the Commission should amend the Company's proposed bill format to provide more accurate information to customers about the potential impacts of not paying charges to marketers. In making this recommendation, OCC overlooks the legal and regulatory requirements that already govern this situation. As explained by OCC, disconnection of a customer for failure to pay a marketer charge is a violation of R.C. 4928.10(D) and OAC 4901:1-10-19(E)(2). While the Company believes its statement is abundantly clear, the Company is willing to revise the statement on the back of the bill to make it clear to customers that their contract with the supplier will be cancelled in situations where charges for competitive retail service are not paid. The revised statement will be: "Failure to pay charges for a competitive retail service may result in cancellation of your contract with the respective retail electric supplier. You will then be returned to Duke Energy Ohio's standard offer for generation services."

OCC next complains that the Commission should amend the Company's proposed bill format to more prominently display the price-to-compare message. However, with the new bill format, the Company's goal is to provide a format to help customers more easily view and understand their bill and energy usage. Providing the price-to-compare (PTC) information on page 1 of the detailed bill is not meaningful for customers since they will need to view the detailed pricing information on page 3 to relate the message to the charges on their bill. Additionally, the Company has made a conscious effort to provide messaging on bills next to the relevant content to ensure they are not overlooked. If the Commission were to determine that all customers should receive a condensed bill, the Company will certainly comply with such directive

The OCC argues that the Commission should amend the Company's proposed formats to more prominently display any disconnection notice that may be included along with the bill. OCC also argues further that Duke's proposed bill format does not specifically separate past due natural gas charges from past due electric charges. Under Duke's proposal, customers are only informed about the combined amount that must be paid to avoid disconnection and loss of both services.

The reference to "burying the disconnection notice in the proverbial fine print of the customer's bill" is simply not accurate. The Company has been intentional in the design of the bill to ensure that regardless of whether customers views only the payment coupon to determine the amount needed to prevent disconnection of service or they choose to review the bill in detail, the information is easily located. The Company's filed disconnect bill specifically highlights the disconnection information using a variety of means. Foremost, the words "Disconnect Notice" are prominently displayed on the top left side, next to Billing Summary in large, bold print. Additionally, the disconnect notice amount and pay by date are provided as a relevant bill message directly next to the billing summary, with both the amount needed to avoid disconnection and the pay by date in bold print. And lastly, the payment coupon has been updated to reflect the amount needed and pay by date in bold print.

Regarding the recommendation to provide separately the past due natural gas charges and the past due electric charges, the Company believes this would be harmful to customers. As noted by OCC, OAC 4901:1-18-09(A) provides customers of combined utilities with the right to choose to retain either their gas or electric service over the other; however, a phone call is required to ensure that the appropriate billing actions are performed to retain the selected service. By providing the past due gas and electric charges separately on the bill, there is an increased risk in service being disconnected if the customer chooses to pay one of the past due amounts without calling to request the Separation of Service option, which will lead to customer confusion and complaints. The Company makes the availability of separation of service and the need to call to request the option explicitly clear in the Important Disconnection Information bill message on the first page of the bill.

OCC next argues that the Commission should require the Company to amend the proposed bill format to include additional information that would be helpful for consumers. OCC believes that the Company should include a price-to-compare message for shopping natural gas customers that contains the Gas Cost Recovery (GCR) price. Also, OCC argues that the Company should include a shadow-billing message on customer bills for shopping natural gas and electric customers. This identical argument was made by OCC in the Company's GCR proceeding for 2018 GCR adjustments.[1] The issue is fully briefed in that proceeding and is more appropriately dealt with there since that is the appropriate proceeding for GCR policy concerns.

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[1] *In the Matter of the Regulation of the Purchased Gas Adjustment Clause Contained Within the Rate Schedules of Duke Energy Ohio, Inc., and Related Matters*, Case No.18-218-GA-GCR, *et al.*, Direct Testimony of Michael P. Haugh, (September 3, 2019).

II. COMMENTS OF THE STAFF

Staff set forth only one concern regarding the disconnection notice filed with the clarification. Staff noted that the proposed disconnection notice does not separate the amount due for disconnect by utility type (electric or natural gas). Staff, recognized that the Company would be making changes in a format update in 2022 and stated that at that time, Staff recommends that Duke make Staff's recommended changes to separate the gas disconnection amount from the electric disconnection amount on the disconnection notice. Although OAC 4901:1-18-06(I) does not require disconnection notices to be filed with the Commission but rather submitted to Staff for review, Staff requests that a revised disconnection notice be filed in the docket by the end of 2022 with Staff's recommended changes.

As noted above, the Company does not believe it is in the best interest of its customers to provide the past due electric and gas amounts separately on the customer's bill. If the Company were to do this, customers who wish to retain one service may be disconnected for non-payment after making a payment of what they believe to be the right amount to retain that particular service. In the absence of a phone call from the customer requesting to separate their service, the Company has no insight into the customer's request and cannot perform the appropriate billing actions, which will lead to customer confusion and complaints.

Staff also had one clarification regarding the proposed waiver of O.A.C.4901:1-10-22(B)(8). Staff comments that it understood the Company to intend the waiver of the beginning and ending meter reads on the consolidated bill to be applied to time-of-use customers only. Customers not on a time-of-use rate will have the beginning and ending meter reads included on their bills.

The Company would like to clarify the requested waiver of O.A.C.4901:1-10-22(B)(8) as it relates to providing the beginning and ending meter readings for interval-billed rates (e.g. those that leverage time-differentiated pricing) to allow the Company to provide usage information only on the monthly bill. The inclusion of meter readings was more meaningful under traditional rate structures; however, with AMI meters and interval usage data comes more dynamic pricing structures. Therefore, the beginning and ending meter readings are no longer relevant to customers billed under those structures. Customers will receive information regarding usage that occurs during relevant bill periods, such as on/off peak, shoulder and demand. The Company respectively requests the waiver be granted for any current and future rates that utilize time-differentiated pricing.

III. CONCLUSION

For the reasons stated, Duke Energy Ohio respectfully requests that the Commission approve the Company's proposed bill formats as submitted in this proceeding.

Respectfully submitted,
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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was delivered by U.S. mail (postage prepaid), personal delivery, or electronic mail, on this 13th day of November 2019, to the following parties.

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