

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

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

**REPLY COMMENTS ON BEHALF OF RESIDENTIAL CONSUMERS
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

I. INTRODUCTION

Ohio Utility consumers deserve to have complete and accurate billing information on their monthly utility bills. But Duke's proposed bill-format changes fall short of providing such essential information to customers. Worse, the PUCO Staff is amenable to allowing Duke a three-year delay (until 2022) to bring its customers' bills into compliance with the Public Utilities Commission of Ohio ("PUCO") rules.

The PUCO should not permit Duke to skirt its rules in this way. Consumers need to have accurate and complete bills for utility service now, not three years from now. There is no evidence to support this delay. Instead, the PUCO should reject PUCO Staff and Duke's recommendations and implement the consumer protections recommended by the Office of the Ohio Consumers' Counsel ("OCC"). Those protections include providing accurate information on customer bills, providing information regarding penalties to consumers if they do not pay charges to a marketer, providing the price-to-compare for gas on customer bills, the separation of gas and electric past due charges on the disconnection notice, and providing shadow-billing¹ data on the bill.

¹ The shadow-billing message would provide shopping customers with comparison information about what they would have paid for electric and natural gas services if they were taking service under Duke's SSO or GCR. This would inform customers of cost savings they could obtain by switching to Duke's SSO or GCR.

II. RECOMMENDATIONS

A. **The PUCO should require Duke to separate out past due gas and electric charges on its bills which also include a disconnection notice.**

In its Comments, the PUCO Staff claims that Duke *expressed* its intent to separate past due charges between gas and electric service in 2022.² Regardless of Duke's *expressed intent*, and without a commitment, the PUCO Staff finds Duke's proposal to be acceptable. The PUCO Staff also requests that Duke submit the revised notice to PUCO Staff by the end of 2022 with PUCO Staff's recommended changes.³

OCC agrees with the PUCO Staff that the delinquent gas and electric charges should be separately identified on the bill or disconnection notice. But OCC does not agree that customers should have to wait until at least 2022 before Duke is required to do so. The PUCO Staff provided no rationale for permitting this delay in its comments. The PUCO Staff also did not evaluate, in its comments, if it was feasible to require Duke to separate delinquent gas and electric charges on the bill-format in this proceeding. Finally, the PUCO Staff did not consider alternatives such as requiring Duke to provide customers with disconnection notices separate from their bills. This separation would enable the delinquent gas and electric charges to be separately listed on Duke's bills, which will benefit its customers.

The disconnect amounts⁴ for both gas and electric should be included on the bill-format now, not in 2022, and prior to PUCO approval of the proposed bill-formats.

² *Id.* at 2-3.

³ *Id.*

⁴ This refers to the amount on the bill that is required to be paid to avoid disconnection. When there is no distinction between the amount due for gas and the amount due for electric, consumers are unable to decide which service they can afford to keep on. This can result in both gas and electric service being disconnected.

The PUCO should reject Duke's proposed bill-formats and instead require Duke to separate delinquent gas and electric charges on its bills within 90 days of an order in this proceeding. In addition, the PUCO should require Duke to provide disconnection notices separate from the bill until such time as delinquent gas and electric charges can be separately listed on any bill that is also being used as a disconnection notice.

B. The PUCO should address the major deficiencies in Duke's proposed bill-formats.

Except for the disconnection notice discussed above, the PUCO Staff did not address any of the other deficiencies that OCC pointed out in its comments regarding Duke's proposed bill-format.

1. The PUCO should amend Duke's proposed bill-format to provide accurate information to customers regarding the cost of reconnection.

The PUCO Staff was silent regarding the inaccurate information contained in the new bill-format documents that Duke is proposing to provide consumers regarding the amount that must be paid to have services reconnected following a disconnection. The information in Duke's proposed bill-formats include amounts that are inconsistent with the reconnection fees for electric that have been approved by the PUCO.⁵

The PUCO should require Duke to provide accurate information on its bills – information that is consistent with the tariffs that the PUCO has approved.

2. The PUCO should amend Duke's proposed bill-format to provide accurate information to customers about the potential impacts of not paying charges to a marketer.

⁵ Duke Energy Ohio Electric Tariff, PUCO, Electric No. 19, Sheet 92.4.

The PUCO Staff comments also failed to address deficiencies in the information that Duke seeks to provide consumers regarding an inability to pay marketer charges on the bill. The proposed bill-format indicates that customers can be disconnected for non-payment of marketer charges, which is inconsistent with Ohio law and PUCO rules.⁶ While it is true that non-payment of marketer charges can be cause for a marketer to cancel the contract with the customer, distribution service cannot be disconnected because of nonpayment of those unregulated generation charges.⁷

3. The PUCO should amend Duke's proposed bill-format to more prominently display the price-to-compare message.

The PUCO Staff comments fail to require more prominent placement of the price-to-compare message on Duke's proposed electric bill formats. As proposed, this information is largely buried towards the end of the bill. This information is an important consumer protection and should be more prominently displayed for consumers. OCC recommends that the price-to-compare be placed on the front page of the bill so that consumers are made fully aware of money that can be saved by switching utility service providers. In addition, shopping customers benefit from having this information on the first page, so they are made aware of how the rate they pay compares to the competitive standard service offer. The PUCO should require Duke to make the price-to-compare language more conspicuous and easier for customers to find.

The PUCO Staff also failed to comment on the need for a natural gas price-to-compare on the combined Duke gas and electric bill. The electric price-to-compare message is an invaluable resource to help customers make more informed competitive

⁶ OCC Comments at 3 (November 6, 2019).

⁷ *Id.*

decisions. This same type of information would help protect Duke's natural gas customers by enabling them to more easily determine how marketer offers compare with the Duke GCR. And for Duke natural gas customers who shop for their supply of natural gas, the price-to-compare message would help them determine if they are saving money. Therefore, the PUCO should require Duke to provide the gas price-to-compare on its combined bills as it currently does with electric.

C. IGS's comments highlight the importance of the price-to-compare message on electric bills and support OCC's recommendation that the PUCO should require Duke to include a price-to-compare message related to the natural gas charges and shadow billing in any Duke proposed bill-format.

IGS commented that the price-to-compare on electric bills may be misleading when grid modernization efforts that are currently underway are completed and more customer-specific capacity information is available for marketer pricing.⁸ IGS also encouraged the PUCO to consider revisions to the messaging and emphasis surrounding the price-to-compare to ensure customers understand the purpose, scope, and limitations of the message.⁹

OCC agrees that customers need to understand the price-to-compare to effectively determine if a marketer's offer is better or worse than the standard service offer. Otherwise, customers can pay excessive charges for electricity.

The price-to-compare on electric bills is based on the avoided costs to the utility if a customer shops with a marketer.¹⁰ And the PUCO has determined that the price-to-compare is to be calculated by dividing the dollar amount of the current month's bill that

⁸ IGS Comments at 2 (November 6, 2019).

⁹ *Id.* at 3.

¹⁰ Energy Choice Ohio, <http://www.energychoice.ohio.gov/Pages/Glossary%20of%20Terms.aspx>.

could be avoided should a customer switch to a marketer by the total number of kilo-watt hours (“kWhs”) the customer used for the month.¹¹ But regardless of whether customers obtain their electricity supply through a marketer or the utility standard service offer, the price-to-compare on the utility bill is the appropriate benchmark for determining any savings or losses.

For example, there are currently 164 electric offers available on the Energy Choice Ohio website for Duke customers.¹² But excluding introductory offers, and those with terms less than three months, only 57 of the offers are actually lower than the current Duke price-to-compare of \$0.0568 per kWh. And on the Energy Choice Ohio website, rates as high as \$0.149 per kWh (2.6 times the price-to-compare) are being marketed to consumers. Without an accurate price-to-compare message on the bill, customers can end up paying rates that are well above the price-to-compare.

Similar to electric, there are currently 78 marketer offers on the energy choice Ohio website for Duke customers for natural gas supply.¹³ However, excluding introductory offers and those with terms less than three months, there are only nine that are lower than the current Duke GCR rate of \$0.3389 per cubic foot (“ccf”).¹⁴ There are

¹¹ *In re the Commission’s Investigation of Ohio’s Retail Electric Service Market*, Case No. 12-3151-EL-COI, Entry on Rehearing at 13 (May 21, 2014).

¹² Energy Choice Ohio, <http://energychoice.ohio.gov/ApplesToApplesComparision.aspx?Category=Electric&TerritoryId=4&RateCode=1>.

¹³ Energy Choice Ohio, <http://energychoice.ohio.gov/ApplesToApplesComparision.aspx?Category=NaturalGas&TerritoryId=10&RateCode=1>.

¹⁴ *Id.*

also rates as high as \$.80 per ccf. being marketed to consumers (almost 2.4 times the Duke GCR).¹⁵

Given that Duke provides an electric price-to-compare message on its combination gas and electric customer bills, it only makes sense that Duke would also provide a natural gas price-to-compare message on this bill. Yet Duke's proposed combination bill-format does not contain a price-to-compare message. The PUCO should require Duke to include a natural gas price-to-compare message.

The current electric price-to-compare message is an invaluable tool for Duke customers to use to compare competitive electric offers with the competitive standard service offer. And as OCC has advocated, including the natural gas price-to-compare will assist Duke customers in comparing marketer offers with the Duke GCR. However, additional resources are needed on Duke's bills for shopping customers.

Additionally, as OCC explained in its Initial Comments, these customers should also have a "shadow-bill" message on their bill that provides accurate billing information for what their bill would have been had they been served on the competitive electric SSO and natural gas GCR.¹⁶ Customers can then evaluate if they are saving money with their marketer. The PUCO should require Duke to modify its bill-format to include a shadow billing message for both electric and natural gas and enable consumers to make better informed choices.

¹⁵ *Id.*

¹⁶ OCC Comments at 5-6.

III. CONCLUSION

OCC appreciates this opportunity to submit reply comments on Duke's proposed bill-format affecting all of Duke's utility consumers. To protect Duke's customers, the PUCO should adopt OCC's proposals regarding the format of Duke's utility bills for gas and electric service. The PUCO should also ensure that Duke's bills are accurate and properly inform customers about their utility services now and not permit a three-year delay on this requirement as the PUCO Staff recommended.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of these Reply Comments was served on the persons stated below via electronic transmission, this 13th day of November 2019.

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The PUCO's e-filing system will electronically serve notice of the filing of this document on the following parties:

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This foregoing document was electronically filed with the Public Utilities

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11/13/2019 4:03:52 PM

in

Case No(s). 19-1593-GE-UNC

Summary: Reply Reply Comments on Behalf of Residential Consumers by The Office of The Ohio Consumers' Counsel electronically filed by Mrs. Tracy J Greene on behalf of Logsdon, Ambrosia E.