



Public Utilities Commission

Mike DeWine, Governor
Jenifer French, Chair

Commissioners

M. Beth Trombold
Lawrence K. Friedeman
Dennis P. Deters
Daniel R. Conway

May 27, 2022

Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus OH 43215

RE: *In the Matter of the Application of The Dayton Power and Light Company d/b/a AES Ohio for Approval for a Limited Waiver of Ohio Administrative Code Rule 4901:1-18-06(A)(2), Case No. 21-1234-EL-WVR.*

Dear Docketing Division:

Enclosed please find Staff Comments in the Matter of the Application of The Dayton Power and Light Company d/b/a AES Ohio for Approval for a Limited Waiver of Rule 4901:1-18-06(A)(2), Case No. 21-1234-EL-WVR.

A handwritten signature in cursive script that reads "Barbara Bossart".

Barbara Bossart
Chief, Reliability and Service Analysis Division
Service Monitoring and Enforcement Department
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record



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

I. BACKGROUND

As part of Case No. 18-1875-EL-GRD, AES Ohio entered into a Commission approved Stipulation, which included implementation of Phase 1 of the Company's Smart Grid Plan and allowed AES Ohio to file "a supplemental application for waiver and memorandum of support including but not limited to proposed alternative methods of notification, protections in place to ensure the safety of vulnerable customers, and if approved the means by which customers will be advised of the change in procedure."

On December 16, 2021, the Dayton Power and Light Company d/b/a AES Ohio ("AES Ohio" or "the Company") filed an application with the Public Utilities Commission of Ohio ("PUCO" or "Commission") seeking a limited waiver of Ohio Adm.Code 4901:1-18-06(A)(2) which requires a utility leave written notice at a customer's premise prior to disconnecting service. The limited waiver would only affect those AES Ohio residential customers with an advanced metering infrastructure meter ("AMI Meter") installed that is capable of two-way communication allowing automated remote connection, disconnection, and reconnection. The Company proposes to modify its disconnection procedures and communications. AES Ohio will continue to mail a separate 14-day disconnection notice until the implementation of its new Customer Information System ("CIS") at which time the 14-day notice will be included on the customer's bill. During the winter heating season, the Company will mail the 10-day notice and make an outbound call to the customer. AES Ohio also proposes to make outbound calls to the

customer 2 days prior to, 1 day prior to, and on the disconnection date if the customer has not paid the amount required to avoid disconnection and when available, plans to provide the customer with the choice of communication channel either through text, phone call and/or email. The Company will notify customers of the change in disconnection process through a bill message and proposes to only notify those active customers that have paid a bill late by more than 30 days in the prior two years. Further, residential customers identified as "critical", which is defined as a customer on a medical certification or life support system that has completed the appropriate documentation, would not be affected by this limited waiver request.

On December 23, 2021, Advocates for Basic Legal Equality, Inc., Office of the Ohio Consumers' Counsel, and the Ohio Poverty Law Center filed joint motions to intervene in the proceeding.

II. COMMENTS

Staff reviewed AES Ohio's application and disconnection practices. Currently 3,600 customers have AMI meters installed whereby the end of the Company's Smart Grid Plan Phase 1, AES Ohio estimates 495,000 customers will have AMI meters installed.

Staff compared the Company's proposal to prior alternative notification pilots in AEP Ohio and Duke where the Commission approved waivers of Ohio Adm.Code 4901:1-18-06(A)(2).

The Company proposes to only notify customers that have had a late payment more than 30 days in the last two years of the change in disconnection process. AES Ohio plans to send more than 270,000 customers a bill message informing them of the change in the disconnection notification process of a possible 495,000 customers. Whereas AEP Ohio's initial message to customers of a change in disconnection procedures included a bill insert, multiple postcards for

customers with a history of late payment, as well as permanent bill message. Duke issued a one-time bill insert and has a permanent bill message. The Company will be installing AMI meters to nearly all its residential customers and all customers will need notification of the change in disconnection procedures. For the alternative notices to be effective, customers must be informed that they no longer have a last chance at the premise to prevent disconnection. A change in disconnection practices without informing all customers of this change will not be successful in avoiding disconnections. At a minimum, customers require a permanent bill message and an annual bill insert. At-risk customers should be given even greater notice of the change.

AES Ohio plans to replace personal notice on the day of disconnection with both a text or phone call 2 days prior to, 1 day prior to, and a text or phone call on the day of disconnection. This is similar to other approved forms of notification to replace personal notice. AEP Ohio and Duke, however, issue the additional 10-day winter notice year-round providing additional time for customers to avoid disconnection. The year round 10 additional day notice has provided customers with additional time to avoid disconnection in the other pilots and should be adopted with AES Ohio too as part of their disconnection practices.

The Company's application did not designate that the waiver was a pilot for a period of time in which Staff and the Company would analyze the success or failure of the alternative notices. Both AEP Ohio and Duke waivers of Ohio Adm.Code 4901:1-18-06(A)(2) were for a limited time, as pilots. During the pilots, in order to continue the waiver, the Company provided data, for Staff to analyze, regarding the success of each of the alternative notices (metrics). Any waiver of Ohio Adm.Code 4901:1-18-06(A)(2) should be on a pilot basis, with regular metrics

provided to Staff, as the successes in avoiding disconnection with AEP Ohio and Duke does not necessarily translate to AES Ohio.

In addition to reviewing the application, Staff reviewed the Company's disconnection practices. Staff has concerns with the Company's current and proposed process/timeline for disconnection of service for non-payment. Staff does not believe AES Ohio is giving customers adequate notice of disconnection for nonpayment. According to Ohio Adm.Code 4901:1-18-04(A), individually metered residential service accounts will be considered delinquent and subject to the utility company's disconnection procedures for nonpayment if the account meets one of the following criteria:

- (1) The customer has not made full payment or arrangements for payment by the due date, for any bill containing a previous balance for regulated services provided by the utility company,
- (2) The customer is in default on an extended payment plan, or
- (3) The customer fails to make the initial payment on an extended payment plan.

Further, according to Ohio Adm.Code 4901:1-18-06(A), if a residential customer is delinquent, as defined in paragraph (A) of Rule 4901:1-18-04 of the Administrative Code, in paying for regulated services, the utility company may, after at least 14-days' notice, disconnect the customer's service during normal utility company business hours. When a customer is considered delinquent, the Company must give at least 14-days' notice of disconnection with an additional 10-days' notice during the winter heating season before service can be disconnected. According to a data request response, AES Ohio's proposed timeline would be comparably truncated; the 14-day disconnection notice due the same day as the bill with the delinquent

amount. Staff believes that the notice should not be provided until the customer is actually considered delinquent.

Staff reviewed multiple customer disconnections cases received through the Commission's call center for an example of this truncated disconnection timeline, but could not identify examples of Staff's concern because the disconnection cases reviewed by Staff were not in default of a payment plan for their first time. During Staff's review, the Company mentioned that customers with a good credit history are also not issued a disconnection notice straightaway. While few customers appear to be affected by the truncated disconnection timeline, some customers are receiving a disconnection notice too soon.

III. RECOMMENDATION

For the reasons stated above, at this time, Staff does not recommend approval of the waiver of Ohio Adm.Code 4901:1-18-06(A)(2) as proposed by AES. The application is lacking in sufficient messaging to customers regarding the change in disconnection practices. It will take time and messaging for customers that have relied on the notice at the premise to avoid a disconnection to change their behaviors and react to the alternative notices. A single early notice to at-risk customers is inadequate messaging. The three calls/texts to the customer are not sufficient notice alone without utilizing the 10-day notice year-round. The 10-day notice is an important tool in avoiding disconnection. The Company's application also did not limit the waiver request to a 2-year pilot with associated data collected to analyze.

Staff recommends that if AES's request for a waiver is granted, that it is on a pilot-basis with metrics timely provided to Staff regarding the success of each of the alternative notices to avoid disconnection. Additionally, bill messages should be provided to all customers for a longer duration of time, with a bill insert included on an annually basis. Finally, Staff is concerned that

the 14-day disconnection notices are sometimes issued too soon, so Staff requests that the Commission clarify that AES should not issue its 14-day disconnection notice until the customer is considered delinquent.

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Summary: Comments Staff Comments electronically filed by Mrs. Tonnetta Y. Scott
on behalf of PUCO