

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

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

REPLY COMMENTS OF AES OHIO

Pursuant to the April 28, 2022 Entry in this proceeding, The Dayton Power and Light Company d/b/a AES Ohio submits these reply comments in support of AES Ohio’s Application for Limited Waiver of Ohio Adm.Code 4901:1-18-06(A)(2) and the comments filed individually by Staff and collectively by The Office of the Ohio Consumers’ Counsel, Advocates for Basic Legal Equality, Inc., and the Ohio Poverty Law Center (the “Consumer Group”).¹

AES Ohio has considered the recommendations of Staff and the Consumer Group and urges the Commission to approve its Application in light of its commitments described below.

I. APPLICATION OVERVIEW

On June 16, 2021, the Commission approved Phase 1 of AES Ohio’s Smart Grid Plan (“SGP Phase 1”).² The four-year, \$267.6 million plan dedicates \$77.6 million to the deployment of smart meters, also known as Advanced Metering Infrastructure (“AMI”), across AES Ohio’s service territory. AES Ohio estimates that 495,000 customers (*i.e.*, approximately 95% of customers) will receive a smart meter during SGP Phase 1. The plan is described in and

¹ May 27, 2022 Comments Submitted on Behalf of the Staff of the Public Utilities Commission of Ohio (“Staff Comments”); May 27, 2022 Comments for Consumer Protection by Advocates for Basic Legal Equality, Inc., Office of the Ohio Consumers’ Counsel, Ohio Poverty Law Center (“Consumer Group Comments”).

² *In re AES Ohio*, Case No. 18-1875-EL-GRD, *et al.*, Opinion and Order (June 16, 2021), ¶ 26-27.

supported by a Stipulation joined by AES Ohio, Staff, and 18 other parties representing a wide range of interests.³

Smart meters offer significant benefits to customers. For example, AMI technology can reduce the duration of outages and enable customers to take advantage of advanced rate options like time-of-use rates. Smart meters also provide more detailed information about energy usage, empowering customers to make intelligent decisions about their consumption.

Smart meters also offer important operational benefits, including but not limited to remote connection, remote disconnection, and remote reconnection of service. These capabilities will reduce the need to dispatch field services, resulting in both cost savings and enhanced safety for AES Ohio's employees and contractors.

To realize those benefits, the SGP Phase 1 Stipulation (p. 13) directed AES Ohio to apply for a limited waiver of Ohio Adm.Code 4901:1-18-06(A)(2), which requires utilities to attempt personal notice at the residence of a delinquent customer before disconnecting their service for nonpayment.

Specifically, Rule 4901:1-18-06(A)(2) provides:

“On the day of disconnection of service, the utility company shall provide the customer with personal notice. If the customer is not at home, the utility company shall provide personal notice to an adult consumer. If neither the customer nor an adult consumer is at home, the utility company shall attach written notice to the premises in a conspicuous location prior to disconnecting service.”

Pursuant to the SGP Phase 1 Stipulation and consistent with Commission precedent,⁴ AES Ohio filed its Application for a limited waiver of Rule 4901:1-18-06(A)(2) and proposes

³ *In re AES Ohio*, Case No. 18-1875-EL-GRD, *et al.*, Stipulation and Recommendation (Oct. 23, 2020).

⁴ *In re Duke Energy Ohio, Inc. for a Waiver*, Case No. 16-1096-EL-WVR, Finding and Order (Mar. 8, 2017); *In re Duke Energy Ohio, Inc. for a Waiver of Ohio Adm.Code 4901:1-18-06(A)(2)*, Case No. 19-187-EL-WVR, Finding and Order (Sept. 26, 2019), Entry on Rehearing (Nov. 21, 2019); *In re Ohio Power Company for a Limited Waiver*

alternative methods of disconnect notification, recognizes protections for critical customers, and recommends how customers will be advised of a change in disconnection procedure.

1. Alternative Methods of Disconnect Notification

AES Ohio currently notifies customers several times of any obligation to pay a given amount due and, when applicable, their eligibility for disconnection before disconnecting for nonpayment. These notifications include: (1) the initial bill stating an amount due, (2) the next month's bill stating any unpaid balance from the initial bill, (3) the "14-Day Notice" required by Rule 4901:1-18-06(A), (4) a courtesy IVR call approximately three to four days before the disconnection date, and (5) attempted personal notice on the disconnection date as currently required by Rule 4901:1-18-06(A)(2). For disconnections scheduled between November 1 and April 15, AES Ohio provides an additional "10-Day Notice" as required by Rule 4901:1-18-06(B) and makes a second courtesy IVR call.

In its Application, AES Ohio seeks a waiver of the personal notice requirement and proposes alternative notifications prior to disconnection. Until AES Ohio implements its new Customer Information System ("CIS"), AES Ohio would continue its current notifications (other than personal notice) and increase its IVR notifications to three all year-round. When CIS is operational in the third quarter of 2023, AES Ohio would include the "14-Day Notice" on customer bills with past due balances, and extend the disconnection eligibility date to when that bill is due, thus expanding the current 14-day notice period to approximately 21 days. When combined with the "10-Day Notice" in winter months and the 3-day mailing period for such

of Ohio Adm.Code 4901:1-18-06(A)(2), Case No. 13-1938-EL-WVR, et al., Entry (Mar. 18, 2015), Finding and Order (Apr. 11, 2018). *Accord: In the Matter of the Commission's Review of Ohio Adm.Code 4901:1-17 and 4901:1-18*, Case No. 19-52-AU-ORD, Finding and Order (Nov. 4, 2020), ¶ 75 (recognizing that the Commission's decision not to eliminate the personal notice requirement in Rule 4901:1-18-06(A)(2) "should not be interpreted as a refusal to review a utility's disconnection practices, policies, and procedures in consideration of a request for a similar waiver to that afforded Duke and AEP Ohio.").

notices under Rule 4901:1-18-06(B), customers would be notified of their eligible disconnection date more than a month beforehand.

2. Protections for Critical Customers

Pursuant to Rule 4901:1-18-06(C)(1), AES Ohio currently does not disconnect service for “critical” customers, *i.e.*, where it would be especially dangerous to the health of any consumer who is a permanent resident of the premises or when the disconnection of service would make operation of necessary medical or life-supporting equipment impossible or impracticable. Such customers shall provide appropriate documentation as required by Rule 4901:1-18-06(C)(1)(b).

AES Ohio does not propose any change to its treatment of these critical customers in this proceeding. Since these customers are not eligible for disconnection, the limited waiver sought in this proceeding would not apply to them.

3. Notice of Change in Procedure

AES Ohio recognizes the need to inform customers of any elimination of the personal notice requirement before disconnection. At the same time, AES Ohio has a significant number of customers who consistently pay for their electric service in a timely manner and likely will not be affected by any change in disconnection procedure. To strike a balance between keeping its customers informed and avoiding unnecessary confusion, AES Ohio’s Application proposes to notify only those customers who have paid a bill late by more than 30 days in the prior two years of any procedure change through a bill message.⁵

⁵ See Application, Ex. C.

II. AES OHIO IS WILLING TO COMMIT TO SEVERAL RECOMMENDATIONS BY STAFF AND THE CONSUMER GROUP

In their comments, Staff and the Consumer Group offer various recommendations regarding the AES Ohio's proposal. AES Ohio has considered those recommendations and is willing to make the following commitments relating to its Application:

First, AES Ohio is willing to administer remote disconnection as part of a two-year pilot program and to work with Staff to identify relevant metrics to track and report on the program's success. *See* Staff Comments, p. 6.

Second, AES Ohio is willing to provide customers with the "10-Day Notice" described in Ohio Adm.Code 4901:1-18-06(B) year-round during the pilot period. *See* Staff Comments, p. 6; Consumer Group's Comments, p. 8.

Third, AES Ohio is willing to include the bill message proposed in the Application on all customer bills during the pilot period and is willing to work with Staff to develop an annual bill insert regarding the elimination of personal notice before disconnection. *See* Staff Comments, p. 6; Consumer Group's Comments, p. 7.

Fourth, AES Ohio is willing to include information in its "14-Day Notice" and "10-Day Notice" regarding how to accomplish reconnection. Consumer Group's Comments, pp. 7-8.

Fifth, AES Ohio is willing to amend Tariff Sheet No. D26 to eliminate the \$25 Reconnection of the Meter charge for customers who are reconnected remotely. *See* Consumer Group's Comments, p. 9. The elimination of this fee is consistent with the Commission's expectation that "customers receive the operational savings benefit of installed AMI and gridSMART technologies."⁶

⁶ E.g., *In the Matter of the Commission's Review of Ohio Adm.Code 4901:1-17 and 4901:1-18*, Case No. 19-52-AU-ORD, Second Entry on Rehearing (Apr. 21, 2021), ¶ 36.

However, AES Ohio urges the Commission to reject the Consumer Group’s remaining recommendations. First, their recommendation to delay the implementation of remote disconnection until AES Ohio’s new CIS system is operational (pp. 4-7) would unnecessarily delay the realization of benefits from AMI deployment. Moreover, the Consumer Group’s concerns about customers not seeing the “14-Day Notice” on their bill (post-CIS), and not receiving information about payment arrangements and circumstances that would warrant suspension of disconnection, are obviated by AES Ohio’s commitments to provide a separate “10-Day Notice” as described in Rule 4901:1-18-06(B) all year, and to work with Staff to develop an annual bill insert explaining the change in disconnection procedure. Although the Consumer Group opposes including the “14-Day Notice” on the customer’s bill, they acknowledge (p. 5) that doing so is already expressly permitted by Rule 4901:1-18-06(A)(5) (“The disconnection notice may be mailed separately or included on the regular monthly bill.”).

The Commission should also not adopt the Consumer Group’s recommendation to alter who is eligible for disconnection (p. 9). AES Ohio is sympathetic to protecting vulnerable customers, and routinely provides information about payment plans and protections based on medical need to customers facing possible disconnection. However, the Consumer Group’s proposal to broadly expand the class of customers who are ineligible for disconnection – at least remotely – without any plan for identifying those customers and verifying their status on an ongoing basis, would be significantly burdensome to administer and reduce the operational benefits of AMI deployment. In light of those challenges and AES Ohio’s commitment to enhance its notifications of a change in disconnection procedures, the need for any additional disconnection protections should be considered following the pilot period or through rulemaking.

Finally, the Commission should not adopt Staff's recommendation that any "14-Day Notice," *i.e.* the initial notice of a disconnection eligibility date, should not be issued until after a customer is considered "delinquent" under Rule 4901:1-18-04(A). AES Ohio does not dispute Staff's characterization of "delinquent" under Rule 4901:1-18-04(A), and does not dispute that only "delinquent" customers may be disconnected for nonpayment under Rule 4901:1-18-06(A). The issue, however, is whether AES Ohio must wait until a customer is "delinquent" even to notify them of their disconnection eligibility date.

It is AES Ohio's practice to notify customers with past-due balances of their disconnection eligibility date before they are technically delinquent (*e.g.*, when they fail to pay a bill with a past-due balance from a previous billing period). Doing so is consistent with Rule 4901:1-18-06(A), which only requires that *disconnection*, not the initial *notice of a disconnection eligibility date*, occur after a customer is delinquent. This practice provides customers with an opportunity to enter payment plans or seek other assistance before their balance unnecessarily grows. In addition, AES Ohio has committed to extend the opportunity to avoid disconnection even further by agreeing to issue "10-Day Notices" year-round.

Regardless, this dispute over the timing of the "14-Day Notice" under Rule 4901:1-18-06(A) is beyond the scope of this proceeding, and would be handled more appropriately on a statewide basis through rulemaking.

III. CONCLUSION

Subject to the significant commitments made in these comments, the Commission should approve AES Ohio's Application for a limited waiver of Ohio Adm.Code 4901:1-18-06(A)(2).

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that the foregoing document was e-filed with the Public Utilities Commission of Ohio today on June 10, 2022. The PUCO's e-filing system will electronically serve notice of the filing of this document on the following parties:

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Summary: Comments Reply Comments of AES Ohio electronically filed by Mr.
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AES Ohio