THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE AMENDMENT OF OHIO ADM.CODE 4901:1-18-12 REGARDING PERCENTAGE OF INCOME PAYMENT PLAN PROGRAM ELIGIBILITY FOR GAS UTILITY SERVICE.

CASE No. 22-731-GA-ORD

ENTRY

Entered in the Journal on July 27, 2022

I. SUMMARY

{¶ 1} The Commission amends Ohio Adm.Code 4901:1-18-12(B) on an emergency basis, to modify the income requirements for the gas or natural gas percentage of income payment plan program. The Commission also schedules a workshop on August 4, 2022, and directs that comments on Ohio Adm.Code 4901:1-18-12(B) be filed by August 12, 2022.

II. DISCUSSION

 $\{\P\ 2\}$ R.C. 4905.06 authorizes the Commission to adopt any rules necessary for the protection of the public safety as to utility service under the Commission's jurisdiction.

{¶ 3} The Commission has adopted Ohio Adm.Code 4901:1-18-12 to 4901:1-18-17 establishing the percentage of income payment plan plus (PIPP plus) which is an income-based payment plan for low-income, residential customers served by regulated gas and natural gas utility companies.¹ A customer is eligible for gas or natural gas PIPP plus if the customer has an annual household income of 150 percent or less than the federal poverty level guidelines for the corresponding household size or the household income for the 30 days prior to enrollment, if annualized, is 150 percent or less than the federal poverty guideline for the corresponding household size.

PIPP plus rules and requirements for residential electric utility service are in Ohio Adm.Code Chapter 122:5-3 and are under the direction of the Ohio Department of Development (ODOD). ODOD and the Commission coordinate the electric and gas PIPP plus rules so that the programs look similar to eligible residential customers.

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{¶4} Electric and natural gas rates in Ohio are generally composed of a supply component and a delivery component. The delivery component is provided by a local distribution utility. Beginning in 2001, consumers in Ohio became eligible to choose or "shop" for the energy supply portion of their bill. For those choice-eligible customers who decide not to shop for a competitive supplier, the local distribution utility conducts competitive auctions where suppliers bid on the opportunity to deliver electricity or natural gas to local distribution utilities. Recent supply auctions have resulted in a significant price increase in the commodity or supply portion that customers are now paying in order to satisfy their natural gas needs. These price increases have a deleterious impact on all natural gas customers but especially on low-income customers. As a result, today the Commission is expanding eligibility to those households with income at or below 175 percent of the federal poverty guidelines for the natural gas PIPP plus program as an immediate measure necessary to preserve the public health and safety consistent with R.C. 111.15(B)(2).

- {¶ 5} Based on the circumstances set forth in Paragraph (4) above, the Commission finds that paragraph (B) of Ohio Adm.Code 4901:1-18-12 should be amended, as delineated in the attachment to this Entry, on an emergency basis pursuant to the provisions of R.C. 111.15(B)(2). The amendment of Ohio Adm.Code 4901:1-18-12(B) on an emergency basis is necessary for the immediate enhanced preservation of the health and safety of the citizens of Ohio.
- {¶ 6} Pursuant to R.C. 111.15, rules adopted on an emergency basis will be effective for 120 days after filing with the Secretary of State, the Legislative Service Commission, and the Joint Committee on Agency Rule Review. During this time period while the emergency rule is in effect, the Commission will conduct a rulemaking proceeding to consider the amendments to Ohio Adm.Code 4901:1-18-12(B) being permanently adopted on an expedited basis through this Entry.
- $\{\P\ 7\}$ On January 10, 2011, the Governor of Ohio issued Executive Order 2011-01K, entitled "Establishing the Common Sense Initiative," which sets forth several factors to be

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considered in the promulgation of rules and the review of existing rules. Among other things, the Commission must review its rules to determine the impact that a rule has on small businesses; attempt to balance properly the critical objectives of regulation and the cost of compliance by the regulated parties; and amend or rescind rules that are unnecessary, ineffective, contradictory, redundant, inefficient, or needlessly burdensome, or that have had negative unintended consequences, or unnecessarily impede business growth.

- {¶ 8} In addition, in accordance with R.C. 121.82, in the course of developing draft rules, the Commission must conduct a business impact analysis (BIA) regarding the rules. If there will be an adverse impact on business, as defined in R.C. 107.52, the agency is to incorporate features into the draft rules to eliminate or adequately reduce any adverse impact. Further, the Commission is required, pursuant to R.C. 121.82, to provide the Common Sense Initiative office the draft rules and the BIA.
- {¶ 9} In order to elicit feedback on Ohio Adm.Code 4901:1-18-12(B), as amended, and to allow stakeholders to propose their own revisions to this paragraph for consideration, a workshop will be scheduled for August 4, 2022, at 10:00 a.m. at the offices of the Commission, Hearing Room 11-B, Columbus, Ohio. Any interested stakeholder that does not participate in the workshop may file formal comments with the Commission as delineated below.
- {¶ 10} The Commission requests comments from interested persons for the limited purpose of assisting in the review of paragraph (B) of Ohio Adm.Code 4901:1-18-12, as amended. Comments on Ohio Adm.Code 4901:1-18-12(B), as amended, attached to this Entry should be filed by August 12, 2022.

III. ORDER

 $\{\P 11\}$ It is, therefore,

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 \P 12} ORDERED, That Ohio Adm.Code 4901:1-18-12(B) be adopted on an emergency basis in accordance with Paragraph (5). It is, further,

- \P 13} ORDERED, That a workshop be scheduled for August 4, 2022, in accordance with Paragraph (9). It is, further,
- {¶ 14} ORDERED, That all interested persons shall file comments on Ohio Adm.Code 4901:1-18-12(B), as amended, by August 12, 2022, in accordance with Paragraph (10). It is, further,
- \P 15} ORDERED, That notice of this Entry be sent to the gas-pipeline list serve. It is, further,
- {¶ 16} ORDERED, That a copy of this Entry and the attachments be served upon all regulated gas and natural gas companies, pipeline companies, certified retail natural gas service suppliers, the Ohio Department of Development, the Office of the Ohio Consumers' Counsel, Ohio Gas Association, Ohio Petroleum Council, Ohio Oil and Gas Association, American Petroleum Institute Ohio, and all other interested persons of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair M. Beth Trombold Daniel R. Conway Dennis P. Deters

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4901:1-18-12 Percentage of income payment plan program eligibility for gas utility service.

- (A) Rules 4901:1-18-12 to 4901:1-18-17 of the Administrative Code, apply to PIPP plus for residential service from a gas or natural gas utility company. PIPP plus rules and requirements for residential electric utility service are located in Chapter 122:5-3 of the Administrative Code.
- (B) A customer is eligible for PIPP plus if the customer meets one of the following criteria:
 - (1) Annual household income is one hundred <u>seventy-five</u> <u>fifty</u> per cent or less than the federal poverty guidelines for the corresponding household sizes.
 - (2) The household income for the thirty days prior to enrollment, if annualized, is one hundred <u>seventy-five</u> fifty per cent or less than the federal poverty guideline for the corresponding household size.
- (C) If the customer meets the income eligibility requirements, as set forth in paragraph (B) of this rule, to participate in PIPP plus, the customer must also:
 - (1) Apply for all public energy assistance for which the customer is eligible.
 - (2) Apply for and accept all weatherization programs for which the customer is eligible.
 - (3) Sign and submit a release to the Ohio department of development and the affected jurisdictional gas or natural gas utility company giving permission for that entity to receive information from any public or private agency that provides income or energy assistance to the customer, or from any member of the customer's household, and/or from any public or private employer of the customer or member of the customer's household as it relates to PIPP plus eligibility.
 - (4) Notify the local agency designated by the Ohio department of development, within thirty days, of any change in income or household size.
- (D) In addition to the requirements set forth in paragraphs (B) and (C) of this rule, a PIPP plus customer must also periodically reverify his/her eligibility.
 - (1) All PIPP plus customers must provide proof of eligibility to the Ohio department of development of the household income at least once every twelve months at or about the customer's PIPP plus reverification date. The customer shall be accorded a grace period of sixty days after the customer's PIPP plus reverification date to reverify eligibility.
 - (2) Except as provided in this paragraph, the PIPP plus customer must be current on his/her income-based PIPP plus payments at the customer's PIPP plus anniversary date to be eligible to remain on PIPP plus for the subsequent twelve months. The customer will have one billing cycle after the PIPP plus anniversary date to pay any missed PIPP plus payments before being removed from the program. Missed PIPP plus payments include:
 - (a) Any delayed payments as a result of the customer's prior use of a medical certificate in accordance

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with paragraph (C) of rule 4901:1-18-06 of the Administrative Code.

- (b) Any missed payments, including PIPP plus payments which would have been due for the months the customer is disconnected from gas utility service up to a maximum of twenty-four months. The amount due also shall not exceed the amount of the customer's arrearage and shall be paid prior to the restoration of utility service.
- (3) PIPP plus customers who have been dropped from the PIPP plus program due to nonpayment or not meeting the terms of the program (e.g. failure to reverify or to bring account current at the anniversary date) and who were otherwise eligible for PIPP plus, may re-enroll in the program after all missed PIPP plus payments have been cured, up to a maximum of twenty-four payments. This includes missed PIPP plus payments for any months in which the customer's service was maintained while not on the program (less any payments made by the customer) or service was disconnected. The dropped PIPP plus customer is not eligible for any incentives or credits in accordance with rule 4901:1-18-14 of the Administrative Code for payments made pursuant to this rule. The amount due shall not exceed the amount of the customer's arrearage.
- (4) All PIPP plus customers must also provide proof of eligibility to the gas or natural gas utility company upon request. No gas or natural gas utility company shall request such proof without justification.
- (E) Upon the customer's enrollment in PIPP plus and at reverification, the gas or natural gas utility company shall provide the customer with a copy of PIPP plus literature including, at a minimum, the customer's monthly payment, service address, current arrearages, nonrecurring fees, timely payment incentives, reverification requirements including the customer's anniversary date, and customer responsibilities when the customer is no longer eligible for the program.

This foregoing document was electronically filed with the Public Utilities Commission of Ohio Docketing Information System on

7/27/2022 11:53:10 AM

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