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BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO

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**PUCO**

- In the Matter of the Commission's Investigation of the Customer Choice Program of Columbia Gas of Ohio, Inc. )  
) Case No. 98-593-GA-COI
- In the Matter of the Commission's Investigation of the Energy Choice Program of The East Ohio Gas Company. )  
) Case No. 98-594-GA-COI
- In the Matter of the Commission's Investigation of the Customer Choice Program of The Cincinnati Gas & Electric Company. )  
) Case No. 98-595-GA-COI
- In the Matter of the Application of Columbia Gas of Ohio, Inc. for State-wide Expansion of the Columbia Customer Choice Program. )  
) Case No. 98-549-GA-ATA
- In the Matter of the Application of The East Ohio Gas Company for Authority to Implement Two New Transportation Services, for Approval of a New Pooling Agreement, and for Approval of a Revised Transportation Migration Rider. )  
) Case No. 96-1019-GA-ATA

**APPLICATION FOR REHEARING  
OF THE EAST OHIO GAS COMPANY**

Pursuant to Section 4903.10 of the Ohio Revised Code, The East Ohio Gas Company files this application for rehearing of the Commission's Finding and Order of June 18, 1998 in these cases.

With the many different stakeholders interested in the gas choice programs, and the many issues raised by the three different programs, the review of the programs by the Commission was not an easy task. The Commission's Finding and Order required numerous changes to the three choice programs. Many of those requirements are reasonable, and may result in improved customer choice programs. However, East Ohio is concerned with one aspect of the

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Finding and Order: the prohibition on providing customer account numbers to marketers without first obtaining customer consent. There was no need for the Commission to take that action.

The Commission adopted the Staff recommendation, made in its May 15, 1998 report on the choice programs in Ohio, that the LDCs be prohibited from providing customer account numbers to marketers without customer consent. The basis for that recommendation by the Staff was its concern about the possibility of slamming. The Staff's view was that the provision of account numbers to marketers eliminates "[t]he anti-slaming defense afforded by privacy of account numbers." Staff Evaluation of Ohio's Natural Gas Customer Choice Programs, p. 4-12.

Slamming has certainly been a problem in the telecommunications industry, and East Ohio is not suggesting that the Commission should ignore the possibility of that practice taking hold in the gas industry. However, the Staff did not suggest that there had actually been a slamming problem in the East Ohio Energy Choice program as a result of its practice of giving account numbers to marketers. In fact, as pointed out by East Ohio in its May 29, 1998 comments on the Staff report, it has not experienced any slamming problems. The provision of account numbers to marketers is one of the very reasons the customer enrollment process has worked well for East Ohio. Giving the numbers directly to the marketers ensures that they have valid account numbers and enables the customer validation process to go more smoothly.

The customer enrollment process used by East Ohio has been very successful. The Commission has recognized that fact, by requiring Columbia Gas of Ohio to adopt the procedure used by East Ohio of sending confirmation letters to customers. Finding and Order, p. 34. The Staff acknowledged that the confirmation letter "can provide a degree of protection against slamming." Staff Evaluation, p. 4-10. In fact, it provides more than just a "degree" of protection.

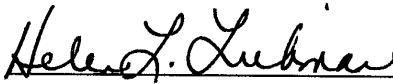
It is the confirmation letter process that ensures that customers are not being enrolled or transferred inappropriately. This procedure has resulted in some instances of customers notifying East Ohio that they did not want to be served by the supplier on whose list their name showed up. But those calls have been few, and those instances have been the result of something other than an intent to slam the customers. There is simply no slamming problem to be solved by changing the current practice.

The Finding and Order certainly did not indicate that there is any such problem. In adopting the Staff's recommendation, the Commission did not cite to any evidence that East Ohio's current practice has created slamming problems. Nor did the Commission cite to any other problem that has been caused by the provision of account numbers without the customer's consent.

It is bad policy to try to solve a non-existent problem in a way that will likely cause problems in the future. Changing the process to prohibit the provision of account numbers will put customers at greater risk than they are now, the risk being that they will not begin to be served by their marketer as soon as they expect to be. The failure of a marketer to provide a good account number -- which could occur if the marketer has to obtain the account number from the customer -- would result in a delay of customer conversions. Delays would also be caused if the customer signing up with a marketer does not have his account number readily accessible. There is no reason to change the current practice, but there are good reasons not to. The Commission should modify its Finding and Order with respect to this issue.

East Ohio therefore requests that the Commission grant rehearing on this issue, and modify its Finding and Order to eliminate the prohibition on providing account numbers to marketers.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application for Rehearing of The East Ohio Gas Company was sent by regular U.S. Mail to the parties listed below this 17th day of July, 1998.

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