

CONSUMER AFFAIRS: Service Quality and Enforcement

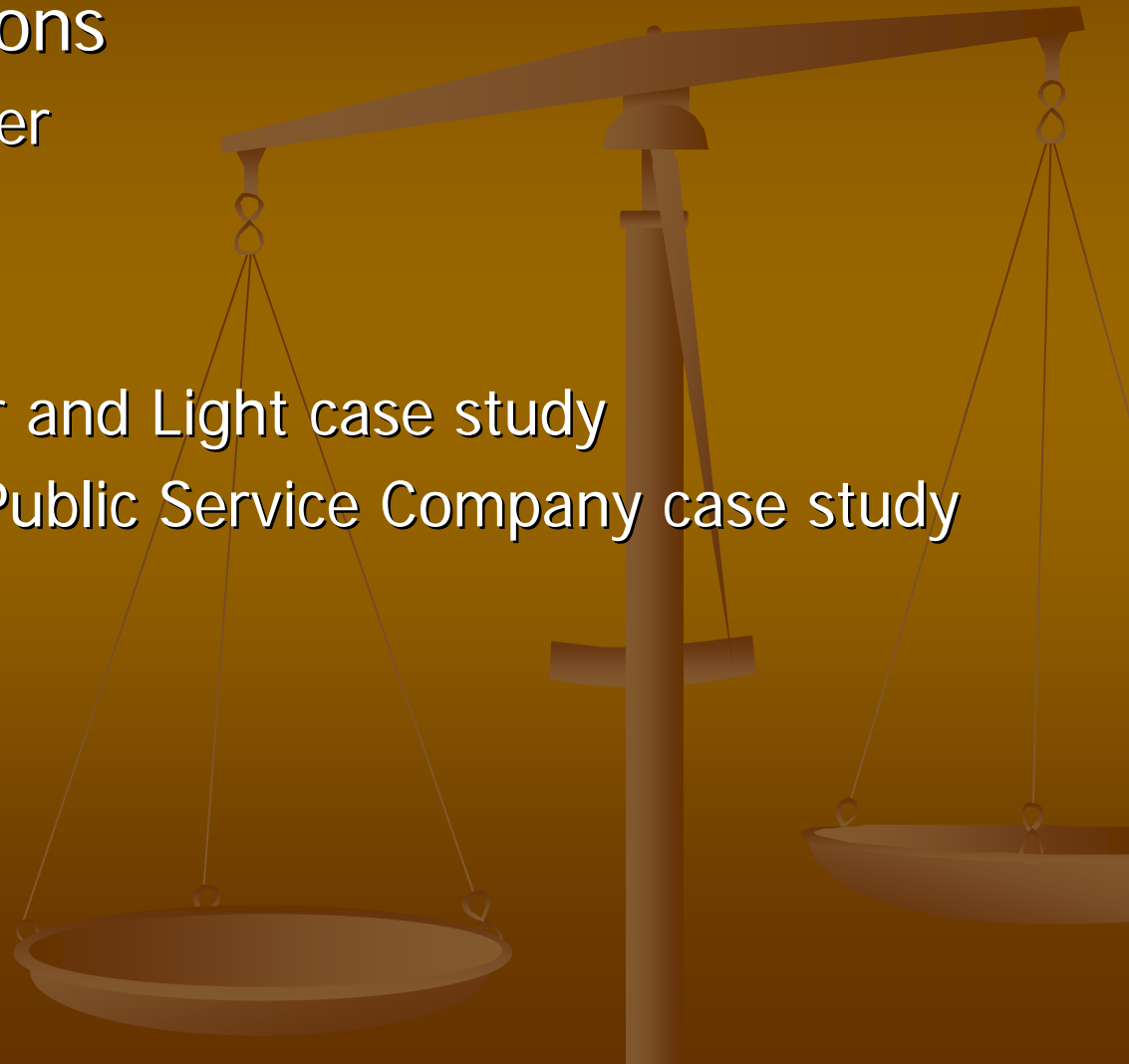


Ja-Deen Johnson, Director of
Consumer Affairs

October 20, 2005

General Overview

- Consumer Protections
 - Individual Consumer
 - All Consumers
- Service Quality
 - Indianapolis Power and Light case study
 - Northern Indiana Public Service Company case study
- Enforcement
 - Consumer Affairs
 - Full Commission



Consumer Protections

Individual Consumers

■ Payment Arrangements

if a customer shows cause for inability to pay then utility may enter into an agreement with customer to pay installments over a specified period of time

■ Medical needs

a disconnection of service may be postponed for a period of 10 days if the customer provides the utility a medical statement indicating the loss of service would pose an immediate threat to the health or safety of a person in the household

■ Alternative Regulatory Plans

IURC may adopt alternative regulatory practices in the public interest

■ Pilot Programs for Low Income Consumers

- discounts a qualifying customers bill; discounts range from 9% to 32%
- Lump sum payments made on customer account
- funding sources include a per-unit charge and unregulated utility funds

Citizens Gas Calculation of Customer Benefits

	Average Annual Bill	Less EAP Benefit	Less USP % Discount	Total Benefit	USP Average Annual Bill
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Tier #1	\$937	\$171 (18%)	\$ 84 (9%)	\$255	\$682 (27%)
Tier #2	\$937	\$210 (22%)	\$ 169 (18%)	\$379	\$558 (40%)
Tier #3	\$937	\$245 (26%)	\$ 225 (24%)	\$470	\$467 (50%)

- ⇒ Other assistance is applied in addition to EAP and USP benefits
- ⇒ Percentages based on an average Residential bill. Lower and higher bills are adjusted by the same percentages.

Vectren Calculation of Customer Benefits

	Average Annual Bill	Less EAP Benefit	Less USP % Discount	Total Benefit	USP Average Annual Bill
Tier #1	\$876	\$171 (20%)	\$ 131 (15%)	\$302	\$574 (35%)
Tier #2	\$876	\$210 (24%)	\$ 228 (26%)	\$438	\$438 (50%)
Tier #3	\$876	\$245 (28%)	\$ 280 (32%)	\$525	\$351 (60%)

⇒ Other assistance is applied in addition to EAP and USP benefits

⇒ Percentages based on an average Residential bill. Lower and higher bills are adjusted by the same percentages.

Consumer Protections

Individual Consumers

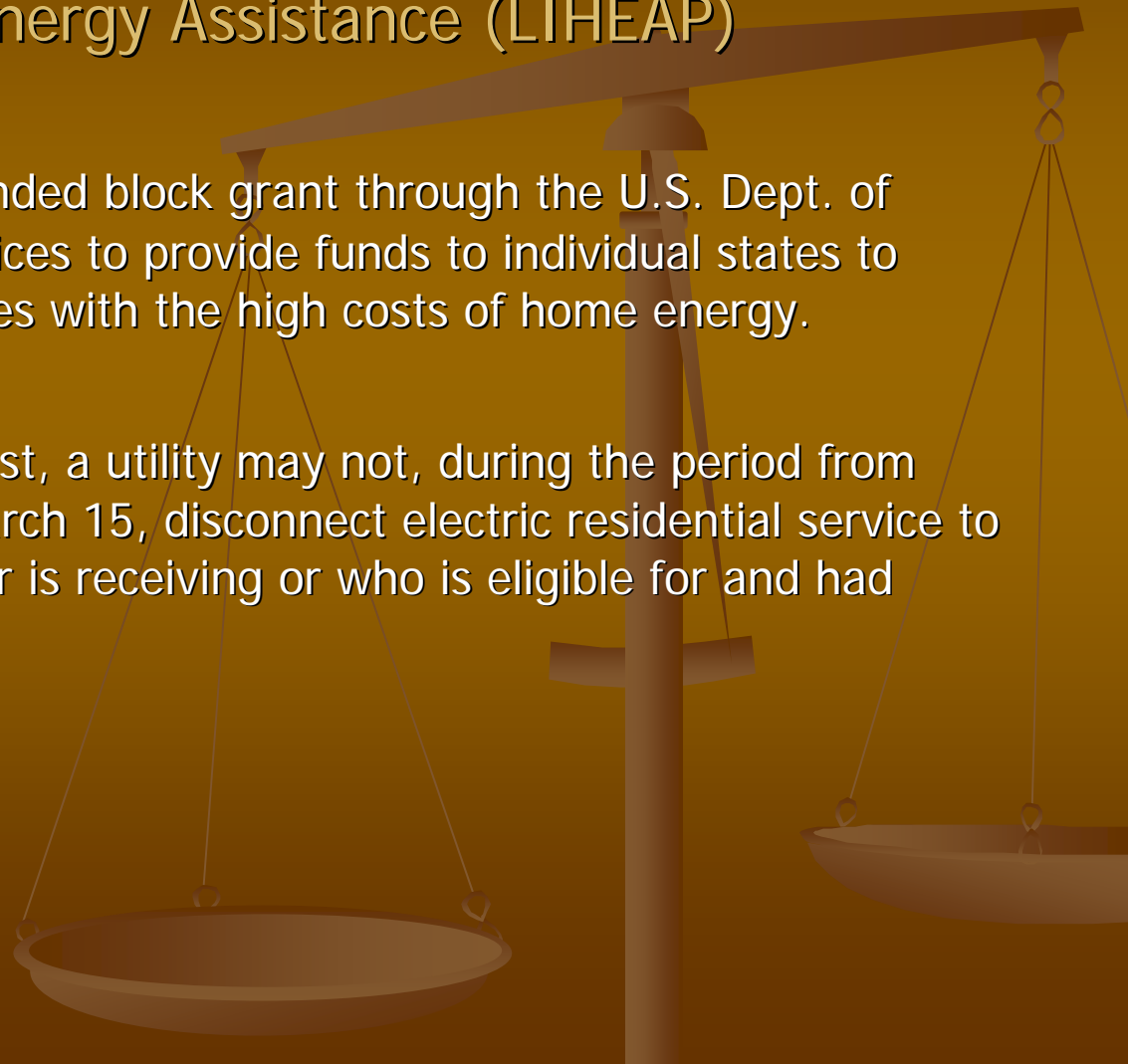
- Low Income Home Energy Assistance (LIHEAP)

- Funding

LIHEAP is a federally funded block grant through the U.S. Dept. of Health and Human Services to provide funds to individual states to assist low-income families with the high costs of home energy.

- Moratorium

Without customer request, a utility may not, during the period from December 1 through March 15, disconnect electric residential service to any customer who either is receiving or who is eligible for and had applied for assistance



Energy Assistance Program FFY 2005 Benefit Matrix

Name of Head of Household:										
SSN or Case No.:					County:					
Household Income: \$					Mo./ Yr. (circle one)					
Date of Application:										
HOUSEHOLD SIZE	50%		75%		100%		125%		150%	
	MO.	YR.	MO.	YR.	MO.	YR.	MO.	YR.	MO.	YR.
1	387	4,655	581	6,983	775	9,310	969	11,638	1,163	13,965
2	520	6,245	780	9,368	1,040	12,490	1,301	15,613	1,561	18,735
3	652	7,835	979	11,753	1,305	15,670	1,632	19,588	1,958	23,505
4	785	9,425	1,178	14,138	1,570	18,850	1,963	23,563	2,356	28,275
5	917	11,015	1,376	16,523	1,835	22,030	2,294	27,538	2,753	33,045
6	1,050	12,605	1,575	18,908	2,100	25,210	2,626	31,513	3,151	37,815
7	1,182	14,195	1,774	21,293	2,365	28,390	2,957	35,488	3,548	42,585
8	1,315	15,785	1,973	23,678	2,630	31,570	3,288	39,463	3,946	47,355
Add Member	133	1,590	198	2,385	265	3,180	331	3,975	397	4,770
Points	5		4		3		2		N.A.	
CATEGORY		FACTORS				POINTS POSSIBLE		POINTS AWARDED		
Poverty Points		From Chart Above				2-5				
Income Status		Earned Income				2				
		Unearned Income				1				
		Zero Income				0				
Dwelling		Mobile Home				3				
		Single Site Built				2				
		Duplex or Greater				1				
Housing Status		Non-subsidized Housing				2				
		Subsidized/ Not Included				1				
		Subsidized / Included				0				
At-Risk		Elderly, disabled, and/or children 0-5 years old				3				
Fuel Source		Bulk Fuels (Kerosene, LP Gas, Oil, Wood, Coal)				3				
		Electric				3				
		Natural Gas				3				
		Heating Included				1				
Notes & Comments: <i>If household received 2004 Summer Fill regular benefit, ineligible for additional winter <u>regular</u> benefit. Electric and crisis eligible only.</i> <i>If subsidized heat, included in rent, cap benefit at \$100.</i>						= Total Points		-		
						x \$15 per point				
						+ Electric		+\$50		
						+ Regional Differential (\$5 Central, \$15 North)				
						+ Crisis EAP				
= Total EAP Benefit						\$				
Intake Worker:				Date:		State Form 48575 (R6/10-04)/HCS 0012A				

Consumer Protections

Rules *are* Protections for All Consumers

■ Rulemakings

means by which current rules are altered or deleted and new rules added to accommodate for recent trends, outdated regulations, new technologies, processes or procedures (Gas Deposits, Outage Reporting)

■ Tariffs

schedule of regulated recurring and nonrecurring charges together with the appropriate general rules and regulations applicable to customers for services furnished properly filed with and approved by the commission

■ Retention of Customer Records

all records shall be preserved for at least three years within the State at the principal place of business of the utility and shall be open to examination by the commission or its representatives

Consumer Protections

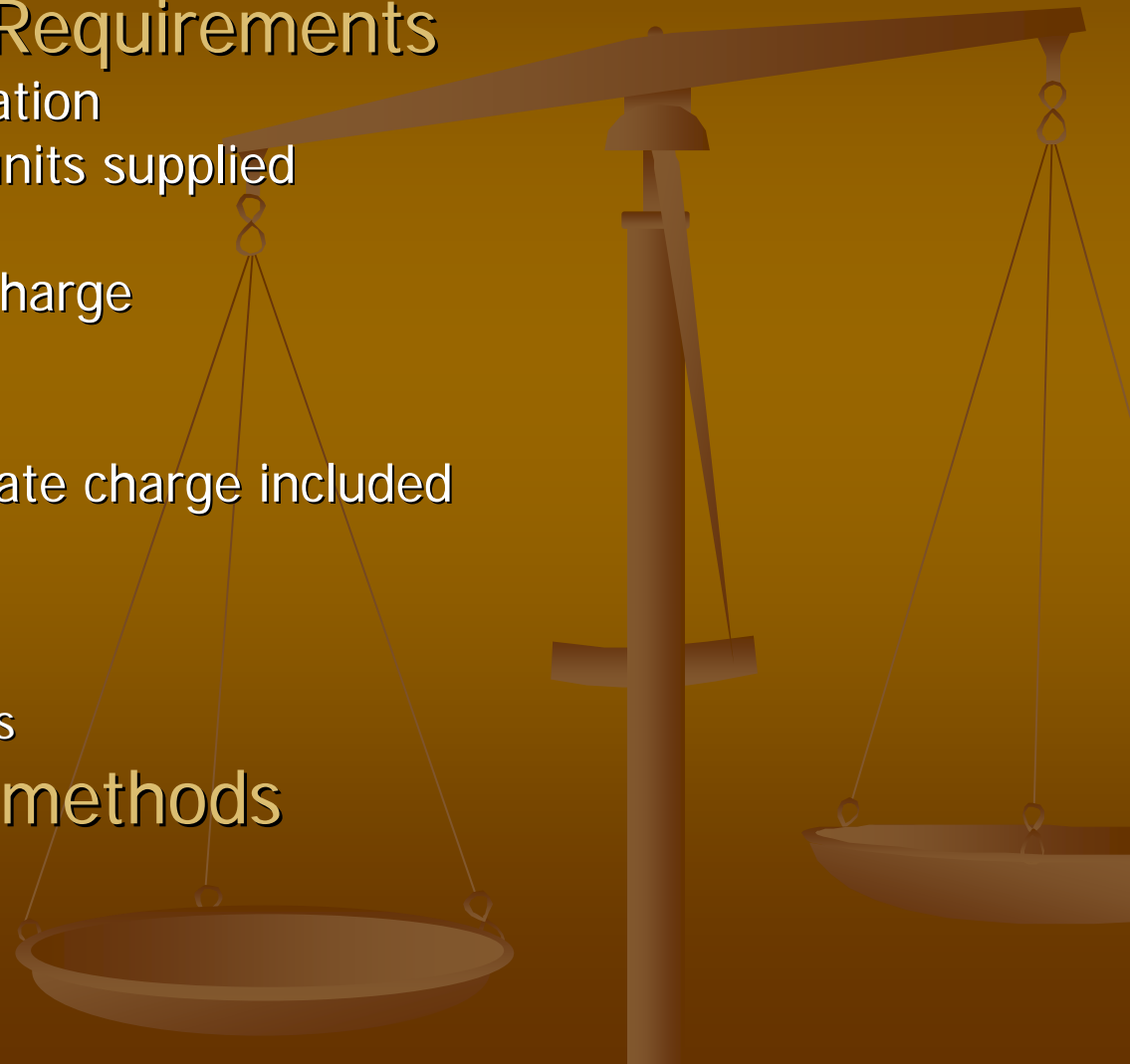
All Consumers

■ Billing Statement Requirements

- Meter reading information
- Number and kind of units supplied
- Billing rate code
- Service or minimum charge
- Previous Balance
- Amount of Bill
- Total amount of bill, late charge included
- Dates
 - Due Date
 - Delinquent Date
 - Meter Reading Dates

■ Alternative Billing methods

- Budget Bill



Consumer Protections

All Consumers

■ Meter Reading

- Estimated – a utility may estimate a customer bill only for good cause; customer request, inclement weather, labor dispute, inaccessibility of meter, etc.
- Meter testing
 - Customer may request directly to utility
 - Customer may make application to commission

■ Disconnection Timeframes

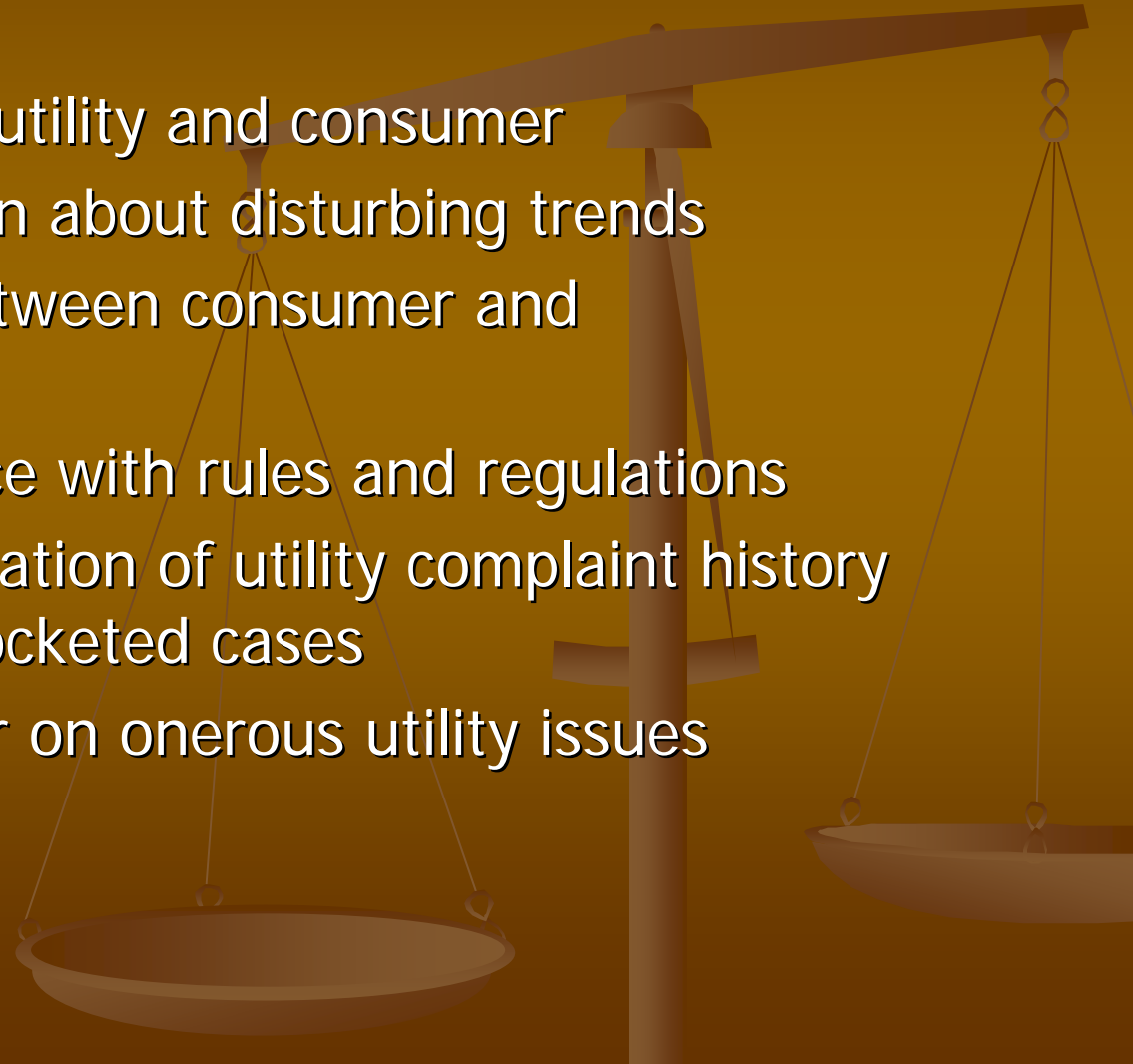
- Voluntary – customer should notify utility at least 3 days prior to desired date; customer is not liable for service rendered after the expiration of 3 days
- Involuntary – in most cases utility required to provide 14 days prior written notice before service may be disconnected

Consumer Protections

All Consumers

■ Consumer Affairs

- Mediate between utility and consumer
- Advise Commission about disturbing trends
- Serve as a link between consumer and Commissioners
- Enforce compliance with rules and regulations
- Provide documentation of utility complaint history during formally docketed cases
- Educate consumer on onerous utility issues



Service Quality



■ Maintenance

every public utility is required to furnish reasonably adequate service and facilities

■ Line construction and maintenance

In accordance with National Electrical Safety Code as approved by the American National Standards Institute

■ Meters

standards regarding inspections and testing; customer may even request testing supervised by Commission staff

■ Vegetation Management

utility shall have the right to maintain equipment by appropriate means including the right to trim and remove trees that may inhibit the operation and maintenance of facilities.

Service Quality



■ Reporting

■ Indianapolis Power and Light Case Study

- Commission initiated investigation resulting from storm
- Settlement Agreement
- Reporting Requirements
- Penalties

■ Northern Indiana Public Service Company case study

- Complaint filed by local city and county governments
Anticipation of certain events
- Settlement Agreement
- Reporting Requirements

Enforcement

■ Consumer Affairs

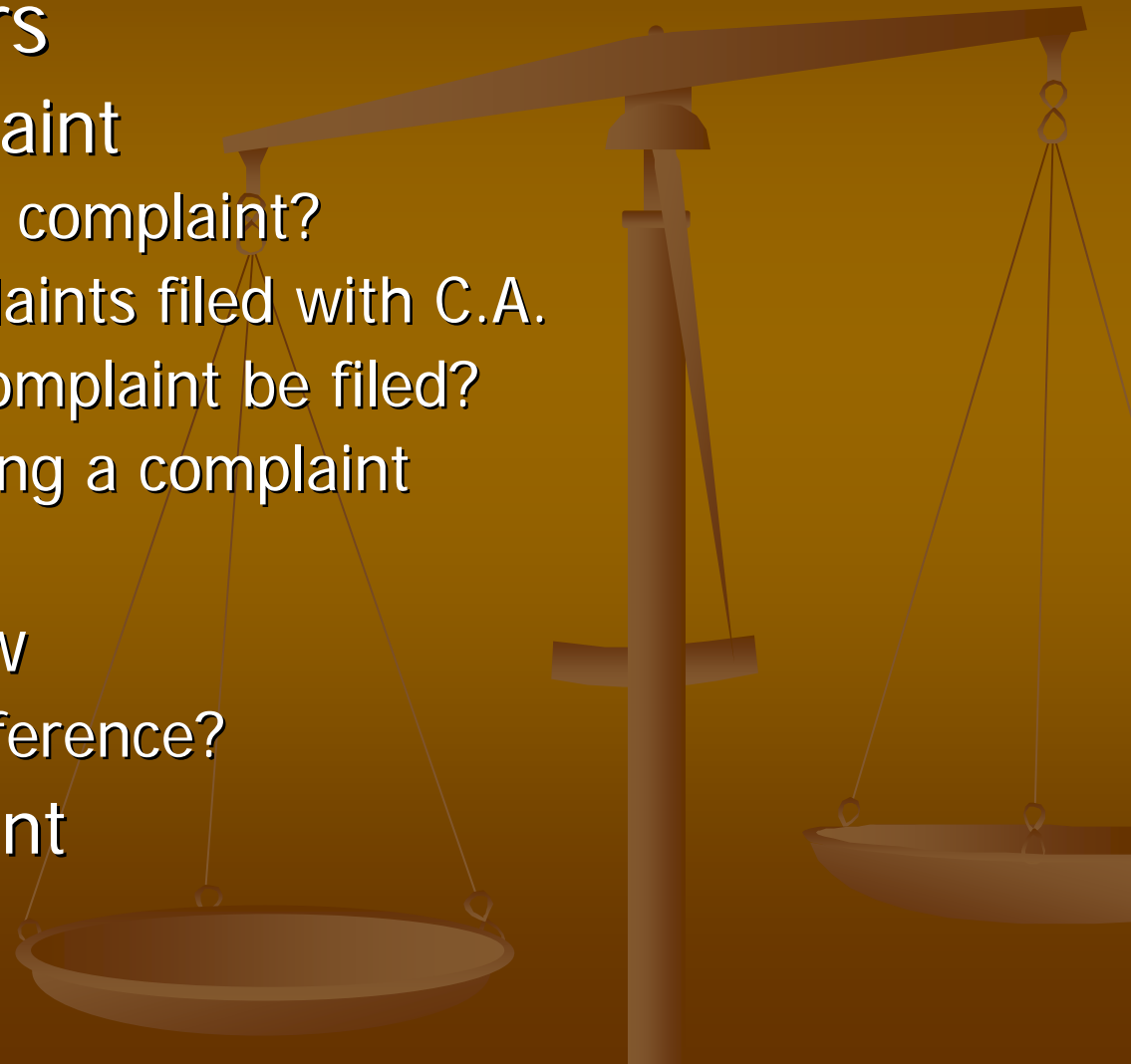
■ Informal Complaint

- Who may file a complaint?
- Types of complaints filed with C.A.
- When may a complaint be filed?
- Methods for filing a complaint
- Resolutions

■ Informal Review

- What is the difference?

■ Formal Complaint



COMPLAINTS

Case Details

[Work Area](#) [Case Details](#) [Customer Reports](#)Case
Details <<
- 64582 [Collapse](#)

Complainant

☒ Complainant is Customer of Record☒ Contact Phone RequiredFirst Name: [Lookup...](#)Contact Phone: ext. Last Name: Source:

Customer

Customer ID: Address: Email: First Name: Last Name: Business Phone: ext. Zip: [Validate...](#)Home Phone: County: Contact Phone: Country:

Utility

Utility ID: [Lookup...](#)Complaint Type:

Utility Name: Northern Indiana Public Service Co. - Electric

Account #: Industry: Attachment: [Attach...](#)

Comments:

states was disconnected but bill was paid over the phone via "choice pay" on 8/6...
disconnect date was 8/8/05...states was originally told wasn't up for disconnect...but
states payment was made and shouldn't have to pay deposit and reconnect fee

Complaint

Complaint ID: Customer Type: ☐ FlaggedDate/Time Entered: Hot Case Type: ☒ Waiting for Utility ResponseDate/Time Completed: Status: Response Date: Justification: ☐ Requires Customer Follow-UpProbable Cause: Follow-Up Date:

Assigned To:

Kim Brown

Referral Date:

8/9/2005

[Export Update](#)

Comments

From: Utility

Date: 8/9/2005 4:30:13 PM

[Edit](#)

KAREN-- was told in writing that service was going to be disconnected on 8/8/05. had to pay by cash and notify NIPSCO. Receipt had to faxed to revenue and recovery. Payment posted to account after Revenue and Recovery ran their report and requested service to be disconnected. Told Robert about his old bill in April '04. Requested NIPSCO to send bill to above address. Told NIPSCO that he was going to pay on active account in June said he was going to pay and didn't. 6/27 said he was going to pay 196.00 on 7/5. Customer didn't pay only paid 150.00 they were going to pay 196. Will have to pay 485.00. Because he paid his bill before it was disconnected will have to pay 45.00 reconnect fee and 55.00 towards gas deposit.

From: Staff

Date: 8/9/2005 5:05:18 PM

[Edit](#)

tried to reach customer ring no answer

From: Utility

Date: 8/10/2005 4:37:44 PM

[Edit](#)

KAREN--Kim, Robert has indicated to us several times he was going to make payments that he did not. A letter was sent advising the Goukers we needed Robert's old bill paid by 8/7/05 in cash and the receipt faxed to avoid disconnection of service on 8/8/05. We received nothing from the Goukers until their service was disconnected. For next working day restoration, we are requesting the \$45 reconnect fee + \$55 towards the additional \$440 deposit with the remaining \$390 deposit payable over three months. Karen N Bruce Team Leader NIPSCO Customer Contact Center - SLC 219-647-4524

From: Analyst (Kim Brown)

Date: 8/10/2005 4:38:23 PM

[Edit](#)

spoke to Mrs. Gouker gave respnse.

[Add New](#)

Enforcement

■ Commission

The Indiana Utility Regulatory Commission is required by state statute to make decisions that balance the interests of all parties to ensure the utilities provide adequate and reliable service at reasonable prices.

■ Revoke Certificate of Territorial Authority (telephone)

Any certificate of territorial authority may, after notice of hearing and a hearing, be revoked by the Commission, in whole or in part, for the failure of the holder thereof to furnish reasonably adequate service within the area or areas determined and defined in such certificate of territorial authority.

■ Declare Emergency

The Commission may temporarily alter, amend or with the consent of the public utility concerned, suspend any existing rates, service, practices, schedules and order relating to or affecting any public utility.

Enforcement

- Ameritech case study
 - Failed to meet service quality standards
 - Required service quality improvement plan
 - Penalties
- Practical Enforcement
 - External Pressures





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