



## The Public Utilities Commission of Ohio *Your one-stop utility resource*

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### **PUCO adopts electric security plan for Dayton Power & Light**



This month the PUCO **approved** an electric security plan (ESP) that will move Dayton Power & Light Company (DP&L) to a competitive model where generation rates will be set through a series of competitive auctions by June 2017.

DP&L will divest its generation assets and become a distribution-only utility, similar to corporate structures the PUCO approved for Ohio's other investor-owned electric utilities.

The ESP will begin Jan. 1, 2014 and be in effect through May 31, 2017. During the term of the ESP, DP&L will conduct an auction for 10 percent of its standard service offer load for the period of Jan. 1, 2014 to Dec. 31, 2014; 40 percent for the period of Jan. 1, 2015 to Dec. 31, 2015; and 70 percent for the period of Jan. 1, 2016 to May 31, 2017.

DP&L will establish a service stability rider (SSR) in order for it to provide a stable standard service offer as it divests its generation assets during the term of the ESP. The SSR will collect \$330 million from Jan. 1, 2014, through Dec. 31, 2016. DP&L will have the option to seek future approval from the PUCO for a five month extension not to exceed \$45.8 million.

In addition, the PUCO approved a number of enhancements to improve the interaction between competitive suppliers and DP&L to ensure a smoother customer choice process, similar to those already implemented by Ohio's other electric distribution utilities.

The PUCO also established a gradual phase-out provision for certain secondary and primary rate schedules, which limits the rate per kilowatt hour charged to customers that have a poor load factor. The maximum charge will increase 2.5 percent per year during the term of the ESP.

Finally, the ESP provides incentives for economic development through an economic development fund. DP&L shareholders will contribute \$2 million annually from 2014 through 2016 to support economic development efforts in its service territory.



**Ohio** | **Public Utilities Commission**

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## PUCO disallows recovery of \$43 million in charges from FirstEnergy ratepayers



This August, the PUCO ordered that FirstEnergy be disallowed to recover approximately \$43 million from ratepayers after determining the utility improperly purchased renewable energy credits, or RECs, to satisfy renewable energy portfolio standard requirements.

Specifically, the PUCO determined 2011 vintage RECs purchased in August 2010 for \$43,362,796.50 should not be passed onto customers. In its ruling, the Commission noted the company had knowledge that the REC market was constrained and illiquid at the time the RECs were purchased, yet market constraints were projected to be relieved in the near future and the company failed to report this to the Commission as required by law. Additionally, the purchase price was the result of bilateral negotiations instead of the result of a competitive bidding process. Finally, the Commission found the company could have filed for a *force majeure* determination, which would have allowed the company to defer its obligation due to market constraints.

Several parties to the case have since filed applications for rehearing before the PUCO, which remain pending. In disallowing the costs of the 2011 RECs, the Commission ordered FirstEnergy to credit its Alternative Energy Resource rider upon final consideration of any appeals.

## Updated information for motor carriers



### Motor Carrier Safety Guidebook

Highways are the arteries of commerce, but are only as efficient and dependable as the safe drivers that use them. The newly revised **Motor Carrier Safety Guidebook** is meant to be a resource for the motor carrier community and those who would like to learn more about Ohio's laws and regulations concerning the transportation of goods, products and people.

Motor carriers that operate in Ohio must remain in compliance with the appropriate federal and state laws, which are administered by the PUCO, Ohio State Highway Patrol and the Federal Motor Carrier Safety Administration. As in most other states, Ohio adopts

the Federal Motor Carrier Safety Administration's regulations and the Federal Hazardous Materials Regulations and enforces them as state requirements. Some of the laws for motor carriers operating within Ohio are unique and different from their federal counterparts.

The new Motor Carrier Safety Guidebook will help motor carriers determine the appropriate safety regulations for their operation and ensure Ohio roadways continue to be as safe as possible.



### Motor carrier driver qualification forms

The PUCO recently updated the driver qualification form section to the PUCO website. The update provides a one-stop-shop allowing motor carriers to easily navigate and download the forms they need to remain in compliance with the Ohio motor carrier safety regulations.

For more information on the PUCO Motor Carrier Safety Guidebook, driver qualifications or other motor carrier topics, visit the PUCO's website at [www.PUCO.ohio.gov](http://www.PUCO.ohio.gov).

## PUCO helps raise awareness for National Preparedness Month



This September is National Preparedness Month. National Preparedness Month, now in its 10<sup>th</sup> year, is a nationwide, month-long effort sponsored by the Department of Homeland Security and the Federal Emergency Management Agency encouraging households, businesses and communities to prepare and plan for emergencies.

While the electric distribution system in Ohio is typically safe and reliable, service interruptions can result from weather conditions such as thunderstorms, high winds or snow storms.

In recognition of National Preparedness Month, the Public Utilities Commission of Ohio (PUCO) offers the following tips for being prepared in the event electric customers experience a service interruption.

## Being Prepared Year-Round

For practical purposes, every home should have a storm kit. The following items should be included for those unexpected power interruptions.

- Portable, battery-powered radio
- Flashlights
- Extra batteries
- Manual can opener and bottle opener
- A supply of non-perishable foods needing little or no cooking
- Water stored in clean, non-corrosive, non-breakable, tightly covered containers such as soft drink bottles — plan for at least two quarts per person per day
- Personal hygiene products, sanitary supplies, diapers and first aid supplies
- Ice chest and ice or frozen ice packs
- Camp stove or canned heat stove, and fuel for three to five days; or hibachi grill and charcoal
- If possible, have access to a cellular phone. Your home's hardwire or cordless telephone may not work without electricity.

You will also want to know how to manually open and close any electric garage doors, security doors or gates. Have surge protectors on important electrical equipment such as computers, DVD players and televisions. Be aware that during an outage, gas appliances with electronic ignitions will not work because electricity is needed to ignite the natural gas. Appliances requiring fans or other electric devices to run (such as central heating units and gas clothes dryers) will not operate.

### What should I do during a power outage?

All outages should be immediately reported to your electric company. Since many other customers may be calling at the same time, you may not be able to speak with a live person. You can still report your outage by following the automated instructions. This will let the utility company know the location and extent of the outage. The company must keep a record of all outages.

You should also unplug all major appliances and electronics, such as computers and televisions, to protect them from a possible power surge when the power comes back on. By leaving one light on, you will be able to tell when your service is restored.

During cold weather, keep warm safely. Put on extra clothes or wrap up in blankets. Don't rely on gas stoves, kerosene space heaters, charcoal grills or other open-flame heat sources. Deadly carbon monoxide gas, which is odorless and invisible, may build up in your home without you realizing it.

For more information about National Preparedness Month, visit [www.fema.gov](http://www.fema.gov) or call 1-800-BE-READY and for additional tips on being prepared during a power outage visit [www.PUCO.ohio.gov](http://www.PUCO.ohio.gov) or call 1-800-686-PUCO (7826).

## Request a speaker



PUCO staff regularly travels across the state to educate Ohioans about electric and natural gas competition and other utility issues. Over the previous year, PUCO representative visited with more than 650 local governments, civic groups, community organizations and others.

If you or your group would like to schedule a speaker for your organization, please contact the PUCO Office of Public Affairs at (614) 466-7750. To learn more about energy choice, visit [www.energychoice.ohio.gov](http://www.energychoice.ohio.gov).

## PUCO celebrates 100 years



This August the PUCO celebrated a century of assuring all residential and business consumers access to adequate, safe and reliable utility services at fair prices, while facilitating an environment that provides competitive choices.

In 1911 the Public Service Commission was established by the legislature to deal with public concerns arising outside the limited field of railroads. At that time, jurisdiction was extended to telephone, electric, gas and water companies and the commission was granted the authority to value utilities and prescribe a uniform system of accounts. The commission was authorized to approve or deny the issuance of corporate securities by public utilities and railroads.

In 1913 the name was changed to the Public Utilities Commission of Ohio. The PUCO took on comprehensive motor bus line regulatory duties in 1921 and two years later received jurisdiction over the motor transportation of property.

# PUCCO IN FOCUS



*A spotlight on the latest news affecting Ohio utility consumers.*

## **Sept. 9–15 is National Telephone Discount Lifeline Awareness Week**



The PUCO is reminding low-income families that they can stay connected to local resources and emergency services through telephone assistance programs. The Federal Communications Commission (FCC), National Association of Regulatory Utility Commissioners (NARUC) and the National Association of State Utility Consumer Advocates (NASUCA) have declared Sept. 9–15, 2013, National Telephone Discount Lifeline Awareness Week across the country.

Lifeline telephone assistance is available to customers who have a household income at or below 150 percent of the federal poverty level. Customers enrolling in Lifeline must show proof of income eligibility or enrollment in qualifying programs including Medicaid, Supplemental Nutrition Assistance Program, general assistance, Ohio Works First, Supplemental Security Income, Section 8 Public Housing Assistance, Home Energy Assistance Programs or the National School Free Lunch Program.

The FCC requires customers to annually reverify their eligibility with their Lifeline provider.

Lifeline customers receive up to a \$9.25 discount on their monthly basic telephone service rate. Federal law prohibits households from receiving multiple benefits. Customers may receive Lifeline benefits for either their landline or through an eligible wireless provider, but not both.

Customers should contact their local telephone service provider to apply for participation in the Lifeline program. For more information about Lifeline or other low-income assistance programs, visit the PUCO website at [www.PUCO.ohio.gov](http://www.PUCO.ohio.gov).

## **PUCO issues winter heating season reconnection for 2013–2014**



The PUCO ordered Ohio electric and natural gas utilities to reconnect or maintain service for customers who have been disconnected or are facing disconnection. Last winter heating season, more than 276,000 Ohio utility customers utilized the PUCO's winter reconnect program.

Under the program customers who are currently disconnected or are facing disconnection can have their service restored or maintained if they pay the amount owed or \$175, whichever is less, plus a service reconnection fee of no more than \$36. Customers may use the program once during the upcoming winter heating season between Oct. 14, 2013 and April 15, 2014.

There is no income eligibility requirement, but the plan requires customers to sign up for a payment plan to pay any remaining past-due balance on their utility bill. Eligible customers may apply payments from the Emergency Home Energy Assistance Program (HEAP) toward the \$175 amount.

Income-eligible customers who are interested in re-enrolling or maintaining participation in the PIPP Plus or Graduate PIPP Plus programs will now be required to pay the balance of any missing PIPP Plus or Graduate PIPP Plus payments over \$175 before the due date of their next bill.

More information about these programs and additional ways to save on home heating bills this winter is available at Ohio's Winter Heating Resource website [www.winterheat.ohio.gov](http://www.winterheat.ohio.gov). Visitors to this site will also find information about budget billing, energy choice and energy conservation.