



Office of the  
Ohio Consumers' Counsel  
*Residential Utility  
Consumer Advocate*

# CONSUMERS' CORNER

November/December 2009  
A bi-monthly publication of the Office of the Ohio Consumers' Counsel

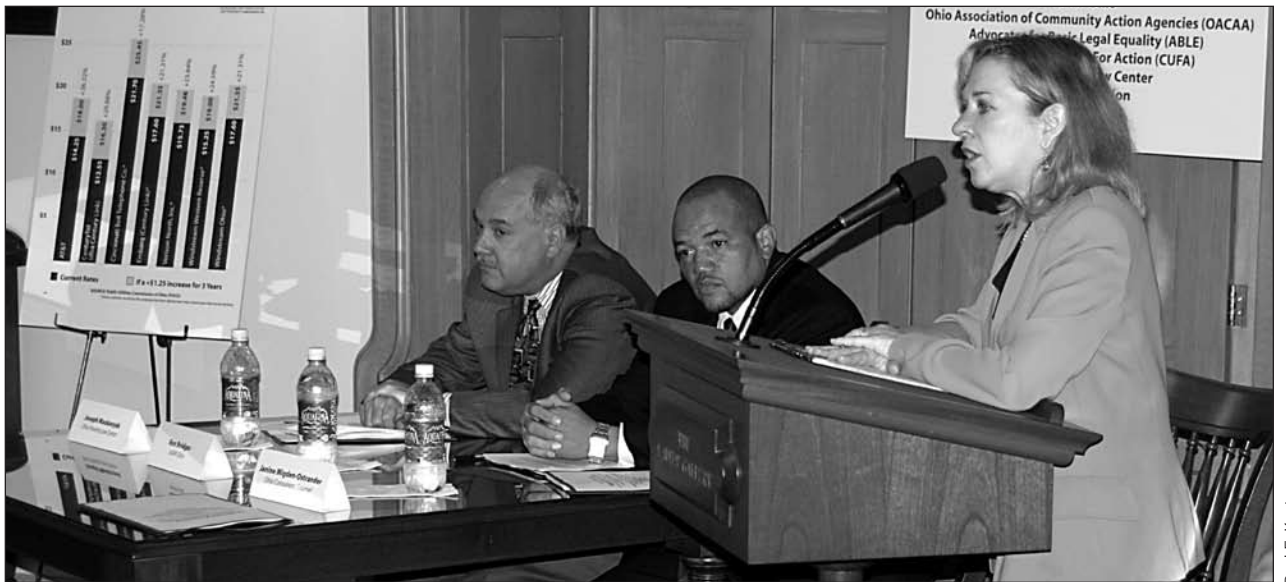
## Advocates find fault with telephone legislation

Legislation currently under consideration by the Ohio General Assembly will allow telephone companies to raise rates, significantly reduce consumer protections, reduce low-income customer benefits, lower service quality standards and fail to expand broadband access in rural areas of Ohio.

“Ohioans across the state deserve fair, competitive and reasonably priced telephone service,” Consumers’ Counsel Janine Migden-Ostrander said. “This legislation, which deregulates telephone service, provides multiple benefits to the telephone companies while providing no benefit to the public.”

The Office of the Ohio Consumers’ Counsel (OCC) joined other consumer advocates to form Ohioans Protecting Telephone Consumers to oppose Senate Bill 162 and House Bill 276.

“Ohio’s seniors rely on landline service to connect with their family, doctors, emergency services and community,” said Ron Bridges of AARP Ohio. “With decreased service quality, Ohio’s elderly could be alone and without telephone services for several days with no way to call for help.”



Consumers’ Counsel Janine Migden-Ostrander (right), Ron Bridges of AARP Ohio (center) and Joseph V. Maskovyak of the Ohio Poverty Law Center recently announced the formation of Ohioans Protecting Telephone Consumers, a consumer advocate organization formed to defeat legislation that deregulates the telephone industry and weakens consumer protections.

The legislation:

**Allows rate increases.** Telephone companies will be able to raise their monthly rates for basic telephone service by \$1.25 every year without regulatory review. Also, non-Lifeline customers likely face an additional surcharge to pay for part of the Lifeline discount. Some Ohioans could face telephone rate increases of up to 20-40 percent over the next few years, with no alternative.

**Weakens consumer protections.** The current Minimum Telephone Service Standards – a set of rules and consumer protections – would be replaced with weaker laws, leaving customers with fewer rights to address grievances. The Public Utilities Commission of Ohio (PUCO) would lose its authority to order automatic monetary credits for customers when telephone companies do not comply with certain standards. The legislation adversely affects

*(continued on page 3)*

## Retail natural gas supplier accepts forfeiture in postcard complaint



Dominion East Ohio Energy (DEOE) agreed to a \$50,000 forfeiture as part of a settlement with the Office of the Ohio Consumers’ Counsel (OCC) and the staff of the Public Utilities Commission of Ohio (PUCO).

The settlement, approved by the PUCO in October, resolved a complaint filed in March by the OCC against the supplier, an affiliate of Dominion East Ohio Gas. The state’s residential consumer advocate took the action against DEOE for what it believed to be a false and misleading postcard sent to Standard Choice Offer customers of the natural gas company.

The postcard told customers Dominion East Ohio Gas would no longer provide their natural gas supply and inaction would cause an independent supplier to be selected for them. The OCC received calls from customers who were concerned their supply of natural gas might be interrupted unless they took action.

In fact, Dominion customers had the option of taking no action and electing to continue receiving their natural gas supply from the natural gas company at the Standard Choice Offer determined by a retail auction in February.

In addition to the \$50,000, which will go into Ohio’s general revenue fund, DEOE agreed to forfeit an additional \$100,000 if the company violates any PUCO rule governing marketing practices within one year.

The parties also agreed:

- A letter will be mailed to customers who had agreed to a fixed-rate contract with DEOE as a result of the postcard, giving them the option of voiding the contract without penalty; and
- A letter will be mailed to DEOE customers with a variable-rate contract reminding them they can switch suppliers at any time.

*By Marty Berkowitz*

# Winter heating assistance programs available

As Ohio begins another winter heating season, it is more important than ever for utility customers having difficulty keeping up with their heating bills to be aware of assistance programs available to them.

During the past year, almost 11 percent of Ohio households were faced with loss of natural gas or electric service due to non-payment of their bills. With unemployment numbers at record highs, it is expected the number of applicants for assistance will continue to increase. The Office of the Ohio Consumers' Counsel (OCC) has resources available to guide consumers in locating the programs that best suit their needs. Customers can call 1-877-742-5622 toll free or visit the agency Web site, [www.pickocc.org](http://www.pickocc.org), for more information.

Ohio's state-regulated utilities offer varying levels of assistance for customers having difficulty paying utility bills. In addition, the following federally and state-funded programs are available:

**Home Energy Assistance Program (HEAP)**  
HEAP, administered by the Ohio Department of Development (ODOD), is designed to help income-eligible consumers at or below 200



Paul E. Kosyru

percent of the federal poverty guidelines pay for their heating costs. Consumers can use this program one time per heating season. For more information, customers may contact the ODOD at (800) 282-0880.

**Percentage of Income Payment Plan (PIPP)**  
PIPP is an income-based payment arrangement where low-income customers pay a percentage of their monthly income for electric and natural gas service. The electric PIPP program is administered by ODOD; the natural gas PIPP program is administered by the Public

Utilities Commission of Ohio (PUCO). Eligible consumers must be at or below 150 percent of the federal poverty guideline.

**Budget Billing**

Budget billing, administered by the utility companies, allows consumers to spread energy costs over a 12-month period to have more uniform monthly payments. Consumers should contact their utility company for more details.

**Payment Plans**

When facing disconnection, consumers may propose to their utility company a payment arrangement that works best for them. If the company finds the arrangement unacceptable, it must provide an option of participating in either the "one-third" winter payment plan (where customers are billed one-third of the total amount due each month) or the "one-sixth" payment plan (where customers pay one-sixth of the past due amount along with the current charges).

**Telephone Lifeline**

The majority of Ohio's local telephone companies offer Lifeline programs to assist with payment of telephone bills. Most households that qualify for HEAP are automatically eligible for Lifeline.

By Marty Berkowitz

# Online stores offer efficiency tools at discounts

Consumers have many options available to them when searching for products that will help reduce monthly energy bills. Retail stores, online outlets and wholesale clubs all offer items such as compact fluorescent light bulbs, high-efficiency showerheads and materials to weatherize homes. But did you know Ohio's investor-owned utilities also offer these energy efficient products, often at discounted prices?

The Office of the Ohio Consumers' Counsel has worked with most of Ohio's electric and natural gas utilities to offer programs that will help Ohioans increase energy efficiency in their homes. American Electric Power, Columbia Gas of Ohio, Dayton Power and Light and Duke Energy Ohio offer online stores that allow customers to purchase a variety of tools and begin saving money and using energy more efficiently. These utilities all offer discounts on products normally found at full price at a retail store.

For example, Columbia Gas of Ohio offers a \$10 discount to its customers for a high-efficiency showerhead and \$25 off for a



Paul E. Kosyru

programmable thermostat. Other utilities offer energy efficiency starter kits, compact fluorescent light bulbs and other merchandise at reduced costs.

This is usually done by typing the utility account number during the online checkout or using a previously created online account to log in prior to purchasing the energy-saving items.

Consumers have to verify their accounts to receive the discounts offered by the utilities.

By Anthony Rodriguez

## ONLINE DISCOUNTS ON ENERGY SAVING TOOLS AVAILABLE FROM UTILITIES

<b>American Electric Power</b>	<a href="http://www.gridsmartohio.com/">www.gridsmartohio.com/</a>
<b>Columbia Gas of Ohio</b>	<a href="http://www.energyfederation.org/columbiagasohio/default.php">www.energyfederation.org/columbiagasohio/default.php</a>
<b>Dayton Power and Light</b>	<a href="http://www.techniart.com/store.php">www.techniart.com/store.php</a>
<b>Duke Energy Ohio</b>	<a href="http://www.dukeenergykit.com">www.dukeenergykit.com</a>



Bill Ferriotti

## Consumer advocates find fault with legislation *(continued from page 1)*

current consumer protections on such important matters as disconnection, reconnection and security deposits.

### Reduces low-income consumer benefits.

Currently, hundreds of thousands of low-income Ohioans benefit from discounts on basic landline service through the Lifeline program. The legislation limits the eligibility of Ohioans who can benefit from the discounts, eliminates their protection from rate increases and severely reduces the program's educational marketing efforts.

**Lowers service quality standards.** The time companies have to restore an out-of-service telephone line would increase from 24 to 72 hours. While current rules require telephone companies to provide automatic credits for outages of 72 hours or longer, the legislation takes away the PUCO's authority to order those credits if this standard is not met. Customers will need to file a formal complaint and come to Columbus for a hearing.

*"With decreased service quality, Ohio's elderly could be alone and without telephone services for several days with no way to call for help"*

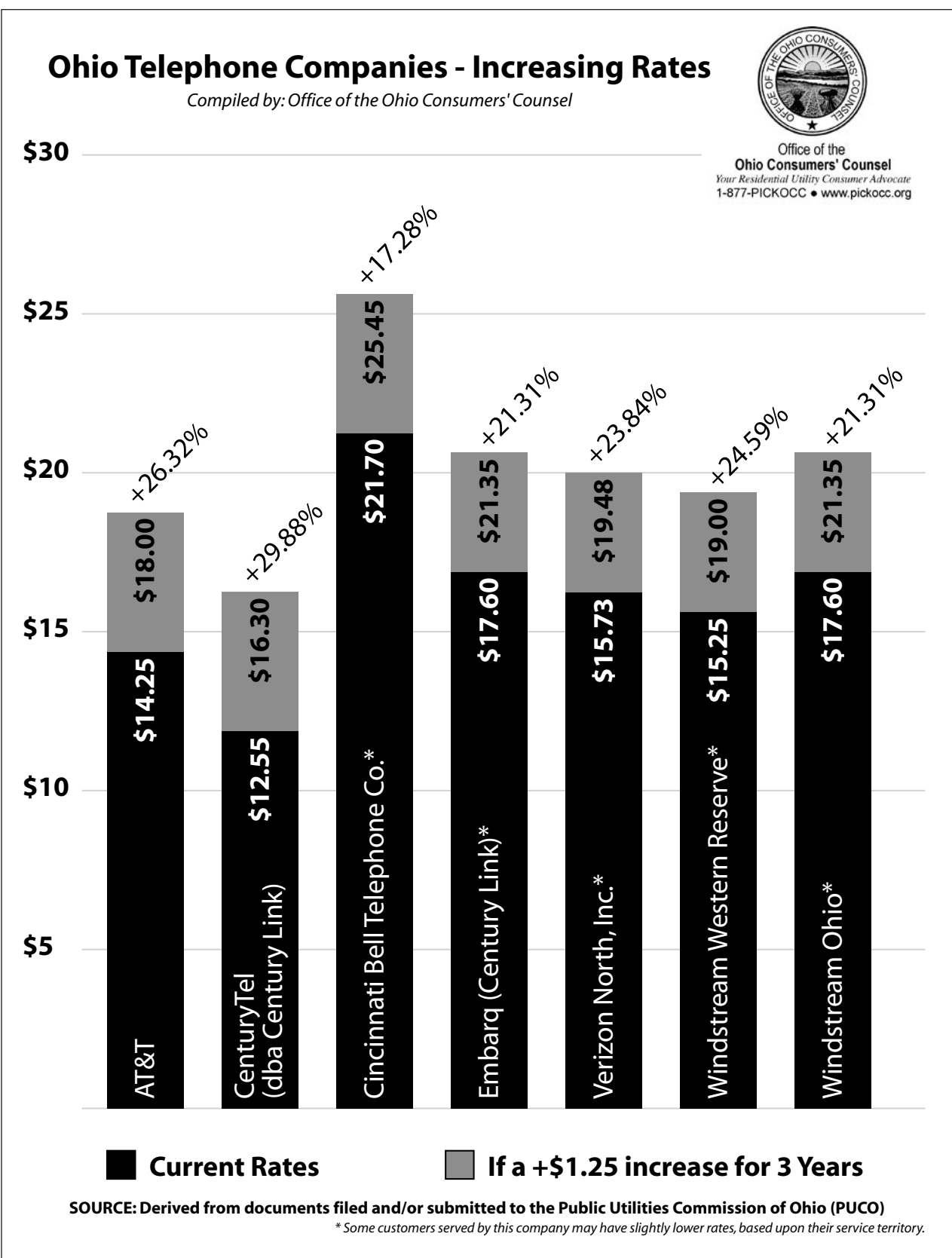
*~ Ron Bridges, AARP*

**Fails to provide broadband access to all Ohioans.** Expanding consumers' access to broadband is important for economic development and job creation. Access provides customers with the ability to receive telephone and Internet service over a high-speed connection. Some of Ohio's economically depressed areas suffer because of their inability to access high-speed Internet through broadband services.

**Fails to protect consumers who have bundled telecommunications services.** Customers who receive a package of telecommunication services do not receive minimal safeguards. For example, there is no time requirement for telephone companies to install bundles, restore outages or reconnect a customer who has been disconnected for non-payment. There also is no limit on the deposit a company could charge to begin telephone services.

"This proposal delivers reduced benefits to all Ohioans, including the most vulnerable low-income consumers," said Joseph V. Maskovyak of the Ohio Poverty Law Center.

*By Paul E. Kostyu*



The OCC urges consumers to contact their legislators immediately and let them know the importance of maintaining consumer protections for telephone services. Call 1-800-282-0253 to find out who your legislators are or visit [www.ohiosenate.gov](http://www.ohiosenate.gov) and [www.house.state.oh.us/](http://www.house.state.oh.us/)

Visit [www.pickocc.org/telecom/deregulation/](http://www.pickocc.org/telecom/deregulation/) for more information about the negative impact SB 162 and HB 276 will have on residential telephone service.

**For more information, contact the OCC at 1-877-PICKOCC (1-877-742-5622) toll free.**

### Do you want to receive this newsletter by e-mail?

If you would like to receive Consumers' Corner by e-mail instead of through the regular mail, send a message to: [info-subscribe@occ.state.oh.us](mailto:info-subscribe@occ.state.oh.us). Be sure to include your name, street address and e-mail address in the message.



### Utility Questions? The OCC can help...

Have you ever had a question about your utility service or difficulty resolving a complaint? If you are billed for a service you did not order, experience a delay in obtaining service, encounter a meter reading problem, have difficulty contacting a utility or need assistance with other questions or concerns, OCC representatives are here to help.

Call the Office of the Ohio Consumers' Counsel's (OCC) toll-free hotline for assistance:

**Toll-Free 1-877-PICKOCC (1-877-742-5622)**

8 a.m. to 5 p.m. - Monday through Friday

Office of the Ohio Consumers' Counsel  
Residential Utility Consumer Advocate

November/December 2009

Consumers' Corner is the free bi-monthly newsletter of the Office of the Ohio Consumers' Counsel, the residential utility consumer advocate serving as a resource for consumers who have questions or would like more information about the services provided by their electric, natural gas, telephone and water companies.

Janine Migden-Ostrander, Consumers' Counsel

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1-877-PICKOCC toll free • www.pickocc.org

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**Request a speaker for your organization!**

The OCC can speak to your group about consumer protection issues, telephone services, natural gas choice and an overview of OCC. We also can tailor utility topics to fit your needs.

Name \_\_\_\_\_

Organization \_\_\_\_\_

Topic of interest \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

County \_\_\_\_\_ Phone number \_\_\_\_\_

If you would like a specific date, please indicate and we will confirm your request.  
Number of participants \_\_\_\_\_

(We speak to groups of 30 or more after 6:30 p.m.)

*The OCC will treat this information as confidential and will not provide it to others without your consent unless required to do so pursuant to Ohio law.*

**Cut out this form and mail it to:**

Attn: Outreach and Education

**Office of the Ohio Consumers' Counsel**

**10 W. Broad St., 18th Floor**

**Columbus, OH 43215-3485**

Or fax this form to: (614) 466-9475

Or call toll free (877) PICKOCC (742-5622) and press option 4.

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**In this issue...**

- Consumer advocates find fault with legislation
- Retail natural gas supplier accepts forfeiture in postcard complaint
- Winter heating assistance programs available
- Online stores offer efficiency tools at discounts

**Learn about key utility issues at these FREE upcoming events:**

DATE	TIME	TOPIC	LOCATION	ADDRESS	CITY
12/03/09	11:00 AM	Preparing for winter	Wood County Senior Center	305 N. Main St.	Bowling Green
12/03/09	12:45 PM	Preparing for winter	Tipp City Senior Center	320 S. 1st St.	Tipp City
12/04/09	12:00 PM	Utility information	Ottawa County Senior Resources	8200 W. State Rd. 163	Oak Harbor
12/07/09	11:00 AM	Choosing a gas supplier	Guernsey County Senior Center Inc.	1022 Carlisle Ave.	Cambridge
12/08/09	12:00 PM	Utility information	Erie County Senior Center	620 E. Water St.	Sandusky
12/14/09	10:00 AM	Telephone regulations	Bethesda Senior Center	118 S. Main St.	Bethesda
12/15/09	10:00 AM	Preparing for winter	Flushing Senior Center	201 High St.	Flushing

This is a sample of the presentations scheduled for the Office of the Ohio Consumers' Counsel. Please visit [www.pickocc.org](http://www.pickocc.org) and click on "Calendar" to view additional programs in your area.