

Title 4- DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 240 – Public Service Commission
Chapter 13 – Service and Billing Practices for Residential Customers of
Electric, Gas and Water Utilities

EMERGENCY AMENDMENT

4 CSR 240-13.055 Cold Weather Maintenance of Service: Provision of Heat-Related Utility Service During Cold Weather

PURPOSE: This amendment provides additional repayment plans for residential users of natural gas for heating purposes.

*EMERGENCY STATEMENT: The price of natural gas has risen sharply throughout the fall to a new high level, requiring many households to spend a much higher percentage of their overall budgets on home heating than in previous winters. This amendment offers options for level payments throughout the year and lessens the financial requirements for those customers disconnected for non-payment to be reconnected to a natural gas supply. As the heating season progresses, without this emergency relief, some customers will not be able to pay their bills in a timely manner, which may result in termination of heating service to their homes. This emergency amendment is necessary to protect the public safety, health and welfare, as without home heating during the winter months, people will suffer and may die. The Public Service Commission has conducted an expedited proceeding, including notice and the receipt of comments and convening a public hearing to take testimony and hear comments. This emergency amendment includes a mechanism whereby natural gas utilities subject to this amendment shall be able to recover all of the reasonably-incurred costs of complying with this amendment. The scope of this amendment is limited to the circumstances creating the emergency and complies with the procedural and substantive protections extended in the **Missouri** and **United States Constitutions**. The Administrative Rules Division believes this emergency amendment is fair to all interested persons and parties under the circumstances. This emergency amendment was filed December 16, 2005, effective December 26, 2005 and expires March 31, 2006.*

14) Special Provisions for the 2005-2006 Heating Season. This amendment only applies to providers of natural gas services to residential customers. Other providers of heat-related utility services will continue to provide such service under the terms of sections (1) through (13) of this rule. The provisions of sections (1) through (13) of this rule continue to apply to providers of natural gas service except where inconsistent with the terms of this section.

(A) From January 1, 2006 through March 31, 2006, notwithstanding section (10)(C)(2) of this rule to the contrary, a gas utility shall restore service upon initial payment of fifty (50) percent or \$500 whichever is

lessor, of the preexisting arrears, with the deferred balance to be paid as provided in Section 10(B). Any reconnection fee, trip fee, collection fee or other fee related to reconnection, disconnection or collection shall also be deferred. Between January 1, 2006 and April 1, 2006, any customer threatened with disconnection may retain service by entering into a payment plan as described in this paragraph. Any payment plan entered into under this emergency amendment shall remain in effect (as long as its terms are adhered to) for the term of the payment plan even after the effective period of this amendment has expired. However, a gas utility shall not be required to offer reconnection or retention of service under this section 14(A) more than once for any customer.

(B) Any customer who is not disconnected or in receipt of a disconnect notice shall, at the customer's request, be permitted to enroll immediately in a gas utility's equal payment, budget-billing or similar plan. Any current bill or existing arrearage at the time of enrollment shall be dealt with consistent with Section 10(B)(1) through 10(B)(4) of this rule, provided that the customer agrees to make the initial payment prescribed in Section 10(C)(1) or Section 14(A) as applicable.

(C) If a customer enters into a cold weather rule payment plan under this rule:

- a. Late payment charges shall not be assessed except with respect to failure to make timely payments under the payment plan; and
- b. The gas utility shall not charge customers interest on the account balance for any deferral period.

(D) Any customer who enters into a cold weather rule payment agreement during the time this emergency rule is in effect and fully complies with the terms of the payment plan shall be treated, going forward, as not having defaulted on any cold weather rule payment agreement.

(E) A gas utility shall describe the provisions of Section 14 in any notices or contacts with customers. In telephone contacts with customers expressing difficulty paying their gas bills, gas utilities shall inform those customers of their options under Section 14.

(F) A gas utility shall be permitted to recover the costs of complying with this rule as follows:

- a. The cost of compliance with this rule shall include any reasonable costs incurred to comply with the notice requirements of this rule.

b. The cost of compliance with this rule shall not include any lost revenues or other costs associated with the gas utility's agreement to temporarily waive or suspend reconnection fees or deposit requirements otherwise applicable to customers who were qualified for financial assistance under the Low-Income Heating Energy Assistance Program and who applied for or received such assistance during the winter of 2005 through March 31, 2006.

c. No gas utility shall be permitted to recover costs under this subsection that would have been incurred in the absence of this emergency rule.

d. Any net cost resulting from this rule as of June 30, 2007 shall accumulate interest at the utility's short-term borrowing rate until such times as it is recovered in rates.

(G) A gas utility shall be permitted to recover the costs of complying with this rule through an Accounting Authority Order:

a. The Commission shall grant an Accounting Authority Order, as defined below, upon application of a gas utility, and the gas utility may book to Account 186 for review, audit and recovery all incremental expenses incurred and incremental revenues that are caused by this emergency amendment. Any such Accounting Authority Order shall be effective until September 30, 2007.

b. The Commission has adopted the Uniform System of Accounts in 4 CSR 240-4.040. Accounting Authority Orders are Commission orders that allow a utility to defer certain expenses to Account 186 under the Uniform System of Accounts for possible recovery later. *State ex rel. Office of the Public Counsel v. Public Service Commission*, 858 S.W.2d 806 (Mo. App. 1993); *Missouri Gas Energy v. Public Service Commission*, 978 S.W.2d 434 (Mo. App. 1998).

(H) This section shall be in effect through March 31, 2006.

AUTHORITY: sections 386.250 and 393.140, RSMo 2000 and 393.130, RSMo Supp. 2003. Original rule filed June 13, 1984, effective Nov. 15, 1984. Amended: Filed Dec. 30, 1992, effective Oct. 10, 1993. Amended: Filed March 10, 1995, effective Jan. 30, 1996. Emergency amendment filed Nov. 8, 2001, effective Nov. 18, 2001, expired March 31, 2002. Amended: Filed Aug. 16, 2002, effective April 30, 2003. Amended: Filed April 9, 2004, effective Oct. 30, 2004. Emergency amendment filed December 16, 2005, effective December 26, 2005, expires March 31, 2006.*