

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of a Proposed Rulemaking to	)	
Amend 4 CSR 240-13 Service and Billing	)	<b><u>File No. AX-2013-0091</u></b>
Practices for Residential Customers	)	

**COMMENTS OF THE STAFF OF THE  
MISSOURI PUBLIC SERVICE COMMISSION**

**COMES NOW** Staff of the Missouri Public Service Commission (“Staff”), by and through the undersigned counsel, and respectfully files the attached Comments with the Missouri Public Service Commission (“Commission”) to state as follows:

1. On August 29, 2012, the Commission issued its *Notice Of Finding Of Necessity* stating the Commission opened this file to amend the existing rules in Chapter 4 CSR 240-13 that set out the service and billing practices for electric, natural gas and water utilities serving residential customers.

2. On August 1, 2013, the Commission submitted twelve proposed rulemakings<sup>1</sup> to the Secretary of State—Administrative Rules Division.

3. On September 3, 2013, the Secretary of State published the proposed amendments to the rules in the Missouri Register for comment. The proposed amendment for each rule provided the opportunity to file comments regarding the rule in this file no later than October 7, 2013. Staff’s supportive *Comments* attached comply with that directive.

4. As outlined in the attached *Comments*, the various stakeholders have

---

<sup>1</sup> The Commission proposed amendments to 4 CSR 240-13.010, 13.015, 13.020, 13.025, 13.030, 13.035, 13.040, 13.045, 13.050, 13.055, 13.060, 13.065 and 13.070. The Commission withdrew the proposed changes to Rule 4 CSR 240-13.065 on August 13, 2013.

discussed potential revisions to Chapter 13 since 2005. Through the numerous discussions that have occurred, Staff believes the proposed amendments are a fair compromise between the differing positions of the varying interests involved.

5. Additionally, the attached *Comments* provide Staff's support for the Commission to approve the rules as originally published on September 3, 2013.

**WHEREFORE**, Staff files these *Comments* for the Commission's information and consideration and recommends the Commission accept the rules as originally published on September 3, 2013.

Respectfully Submitted,

**STAFF OF THE MISSOURI  
PUBLIC SERVICE COMMISSION**

**/s/ Akayla J. Jones**

Akayla J. Jones  
Assistant Staff Counsel  
Missouri Bar No. 64941

**/s/Jennifer Hernandez**

Jennifer Hernandez  
Senior Staff Counsel  
Missouri Bar No. 59814

Attorneys for the Staff of the  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102  
(573) 526-6036 (Telephone)  
(573) 751-9285 (Facsimile)  
[akayla.jones@psc.mo.gov](mailto:akayla.jones@psc.mo.gov) (e-mail)

**CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been emailed this 7<sup>th</sup> day of October, 2013 to all counsel of record in this proceeding.

**/s/ Jennifer Hernandez**

## **COMMENTS OF THE STAFF OF THE MISSOURI PUBLIC SERVICE COMMISSION**

### **Overview**

The proposed rulemaking pertains to Chapter 13<sup>1</sup> Service and Billing Practices for Residential Customers of Electric, Gas and Water Utilities.

The proposed rulemaking attempts to accomplish the following basic objectives:

- Include regulated sewer utilities and their customers under Chapter 13's purview.
- Address several language changes that need to be addressed in various sections to reflect changes in technology, checking/finance practices, societal changes and changes in the law.
- Replace current subjective judgment with that of statistical probability of payment default that would set boundaries that are consistent and well-defined for deposits and guarantees of payment.
- Replace current subjective judgment regarding medical emergency needs that would temporarily postpone discontinuance of service with that of a set of guidelines that would require a medical professional to define the medical emergency for continued utility service.

The Staff of the Missouri Public Service Commission Staff ("Staff") supports the Missouri Public Service Commission's ("Commission") approval of the proposed rules as published in the Missouri Register on September 3, 2013.<sup>2</sup> These comments attempt to explain Staff's rationale for Commission approval of these proposed rules.

### **Background**

A thorough review of existing Missouri Commission rules relating to billing practices for residential customers for electric, gas, and water has been long overdue. Chapter 13 has not been reviewed in its entirety for approximately 20 years. Therefore, a reconsideration of Chapter 13 is needed to respond to new technology and economic and societal changes that have occurred since then. A revision of Chapter 13 as a whole is preferable as it would be difficult to sub-divide changes of Chapter 13 into smaller increments due to the intricate relationship of the rules in Chapter 13 that are interdependent.

Discussions regarding revisions of Chapter 13 began in January 2005. Since 2005, there have been more than a dozen different drafts of Chapter 13. Various parties were involved in the revisions including representatives of all gas, electric, the state's largest regulated water and sewer companies, Office of the Public Counsel, as well as consumer advocate groups including AARP, Community Action Agency Association,

---

<sup>1</sup> 4 CSR 240-13.

<sup>2</sup> Vol. 38, No. 17 Mo. Reg. 1364 (September 3, 2013).

Consumer Council of Missouri, and Eastern Missouri Legal Aid and members. The collective group has been working for approximately seven years, discussing the various problems and possible solutions and the development of a proposal for rulemaking to amend Chapter 13. Proposed rule changes are not unanimous, but rather Staff's proposal for what appears to Staff as a fair compromise between differing positions of several of the entities involved.

#### **Staff Comments Regarding Specific Proposed Rules**

Each proposed rule is summarized separately below with Staff's support for why the Commission should approve the rules as originally published.

#### **4 CSR 240-13.010 (General Provisions)**

This section proposes the addition of sewer public utilities to Chapter 13. This change is necessary to require the same service and billing practices for residential customers of sewer utilities as are required by the other utilities regulated by the Commission. Other minor wording changes are proposed that are necessary for the clarification of the processes contained in this chapter.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.015 (Definitions)**

This section proposes necessary changes to the definitions as used in this Chapter for the clarification of the processes contained therein.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.020 (Billing and Payment Standards)**

This section proposes the addition of sewer public utilities to the rule. This change is necessary to require the same service and billing practices for residential customers of sewer utilities as are required by the other utilities regulated by the Commission.

This section adds language to update the types of technology the utilities are using to obtain meter readings and bill customers, and when estimated billing is allowed due to some failure. This section also includes proposed language necessary to add a standard for estimating a customer's utility bill when the utility's tariff does not include a Commission-approved procedure.

Other minor wording changes are proposed that are necessary for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.025 (Billing Adjustments)**

This section proposes to add a time period by which a customer is allowed to pay an adjusted bill. The specified time period adds protections for both the utility and the customer. Also, the section proposes the addition of minor wording changes that are necessary for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.030 (Deposits and Guarantees of Payment)**

This section proposes necessary language to prescribe when a utility may assess a deposit to a customer's account when the customer has made a payment each month by the delinquent date but not the full amount due. This language adds a reasonable balance between customer/utility interests.

The proposed language also offers customer protections by prescribing the circumstances in which an assessed deposit cannot be paid in installments and for the return of the deposit by the utility.

Further, this section proposes minor wording changes that are necessary for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.035 (Denial of Service)**

This section proposes necessary additions to prescribe the types of notice required when a utility denies an applicant service. Other minor wording changes are proposed that are necessary for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.040 (Inquiries)**

This section proposes minor wording changes that are necessary for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.045 (Disputes)**

This section proposes necessary additions to prescribe the procedures for a utility to follow before disconnecting service where a dispute registered with the utility

involves the same customer, facts and questions as a previous informal or formal complaint filed with the Commission. Further, this section proposes minor wording changes that are necessary for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.050 (Discontinuation of Service)**

This section proposes necessary additions to prescribe the processes for and notice required when discontinuing water service for nonpayment of a sewer bill. The proposed language adds to the rules a standard that is often found in utility tariffs in some fashion and make the standard uniform among utilities. Further, this section proposes minor wording changes that are necessary for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.055 (Cold Weather Maintenance of Service: Provision of Residential Heat-Related Utility Service During Cold Weather)**

This section proposes a necessary update to citations for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.060 (Settlement Agreement and Payment Agreement)**

This section proposes minor wording changes that are necessary for the clarification of the processes contained in this rule, as well as to eliminate inconsistencies throughout the rule.

Staff supports this proposed section as originally published.

#### **4 CSR 240-13.065 (Variance)**

Proposed rule change withdrawn

#### **4 CSR 240-13.070 (Commission Complaint Procedures)**

This section proposes necessary language to identify the processes the Commission's Staff currently completes when investigating a complaint filed by a utility customer. Further, this section proposes minor wording changes that are necessary for the clarification of the processes contained in this rule.

Staff supports this proposed section as originally published.

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of a Proposed Rulemaking to     )  
Amend 4 CSR 240-13 Service and Billing     )  
Practices for Residential Customers     )

File No. AX-2013-0091

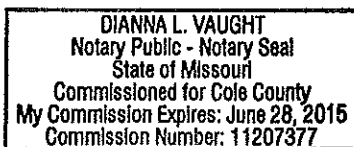
**AFFIDAVIT OF CAROL GAY FRED**

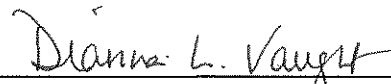
STATE OF MISSOURI     )  
                                      ) ss  
COUNTY OF COLE     )

Carol Gay Fred, of lawful age, on her oath states: that she has knowledge of the matters set forth in the Comments of the Staff and that such matters are true to the best of her knowledge, information and belief.

  
\_\_\_\_\_  
Carol Gay Fred

Subscribed and sworn to me before this 7th day of October 2013.



  
\_\_\_\_\_  
Notary Public

My commission expires June 28, 2015