

Office of Public Counsel's Rule Text

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 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 regarding discontinuance of service as required in Section 3(E) of this rule. 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 either through a direct charge to consumers or through an Accounting Authority Order as set forth in subsections (d) and (e) below.

- 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. **Direct Charge.** A gas utility shall be permitted to recover the costs of complying with this rule through a fixed adder to the customer charge to residential customers over a period not to exceed 12 months only if the gas utility specifically tracks the costs of complying with the rule as provided in this subsection (d).
 - i) the gas utility must track all costs related to residential customers who take advantage of the emergency rule for the 18 month period from January 1, 2006 through June 30, 2007.

- ii) any amounts written off as bad debts that are associated with charges to customers in (i) above for service during the billing cycles for the twelve month period following a customer's taking advantage of this emergency rule shall be identified and accumulated as costs of complying with this rule.
- iii) the amount accumulated in (ii) above shall be reduced by the amount of bad debt write-off reversal for those customers who are reconnected under the provisions of the emergency rule and who are current in their bill as of June 30, 2007.
- iv) the amount accumulated in (ii) above shall be reduced by the amount of reconnections fees received during the period from those customers who are reconnected under provisions of the emergency rule and subsequently have their accounts written off as of June 30, 2007.
- v) the direct charge to residential customers shall be permitted only after costs have been fully calculated and verified, but in no event before June 30, 2007. The direct charge shall be collected over a period not to exceed 12 months and shall be preceded by an appropriate filing with the Commission.
- vi) The calculation of the direct charge shall be subject to subsequent audit by Commission staff.
- vii) The amount of any direct charge permitted to any gas utility under this section shall be taken into account in the gas utility's next rate case.

e. Accounting Authority Order

- i) The Commission shall grant an Accounting Authority Order, as defined in subsection (J), 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.
- j) 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).

- f. 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 through a direct charge or otherwise reflected in rates.

(G) This section shall be in effect through May 31, 2006.