

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF DUKE)
ENERGY INDIANA, LLC REQUESTING)
THE INDIANA UTILITY REGULATORY)
COMMISSION TO DECLINE ITS)
JURISDICTION OVER, OR)
OTHERWISE APPROVE AN)
ALTERNATIVE REGULATORY PLAN) CAUSE NO. 45193
FOR THE OFFERING OF A PREPAID)
ADVANTAGE PILOT PROGRAM)
APPLICABLE TO RESIDENTIAL)
CUSTOMERS PURSUANT TO IND.)
CODE §§ 8-1-2.5-5 AND 8-1-2.5-6)

COMPLIANCE FILING

Duke Energy Indiana, LLC (“Duke Energy Indiana”), by counsel, reports on the following issues, pursuant to the Indiana Utility Regulatory Commission’s (“Commission”) Final Order of September 11, 2019, (“Final Order”), which required:

Within 60 days of the Final Order in this Cause, Petitioner shall file under this Cause an explanation and example-of how the portal properly considers base, usage, and special charge portions of bills in its calculation of a customer's available credit balance so that our Consumers Affairs Division may appropriately respond to customer inquiries.

Petitioner shall work with the OUCC and CAC to establish a list of metrics, and the list shall include the Commission's metrics provided herein. Within 60 days of the Final Order in this Cause, Petitioner shall file under this Cause the list of metrics for the Pilot.

1. **Explanation and example-of how the portal properly considers base, usage, and special charge portions of bills in its calculation of a customer's available credit balance so that our Consumers Affairs Division may appropriately respond to customer inquiries.**

During the Pilot, a participating customer’s available credit balance will be calculated in the customer portal using the following processes:

- Charges
 - The initial credit balance will consist of the \$40 initiation charge and any additional deposit held on the customer's prior post-pay account.
 - When a customer joins the Pilot, any current charges from the current billing cycle and any overdue balance will be posted to the deferred balance in the portal.
 - Daily meter reads are posted to the portal and usage-based charges associated to the customer's rate are deducted from the credit balance. These usage-based charges include the base rate and any kWh-based riders.
 - The customer will be charged the appropriate block rate based upon the customer's total usage to-date for the billing cycle. For example, the customer will be charged the lowest tier rate daily until they move to the next block, at which point they will be charged daily at the appropriate block rate.
 - Fixed monthly charges, such as the monthly connection charge, are divided by 30 days and deducted from the credit balance daily.
 - At the end of each billing cycle, a reconciliation is performed between the portal's calculated charges and the billing system's charges for the billing period. Typically, there will be a positive or negative adjustment of less than \$1 made to the credit balance because of this reconciliation.
- Payments
 - Payments made through the Portal are immediately applied to the customer's account.
 - Payments made through Duke Energy payment channels are applied real time upon receiving it in our system.
 - Failed payments due to return checks will result in the credit balance being debited for the failed payment amount and a penalty of \$20. Check privileges will be revoked for 12 months upon the second failed payment due to return check.
 - After the 2nd credit card payment in a month the customer will be charged \$1.50 per credit card payment. This charge will be added to the credit card charge, not deducted from the credit balance.
 - Payments for customers with a deferred balance will be split with 75% applied to their credit balance and 25% applied to their deferred balance account.

Here is an example of a typical residential customer on the RSN0 rate:

- Customer joins the Pilot with \$50 in current charges and a \$100 past due balance.
- The customer pays the \$40 initial fee.
- Customer starts with a credit balance of \$40 and a deferred balance of \$150 (this includes the \$50 in current charges and \$100 in past due balance).
- Assume customer is on the RS rate with a total tier 1 usage charge of \$0.14/kwh and a monthly connection charge of \$9.01
- First Day
 - Customer uses 30 kWh
 - Customer's credit balance is debited \$4.50
 - \$4.20 for usage
 - \$0.30 connection fee
 - Credit balance = \$35.50
 - Deferred balance = \$150

- Second Day
 - Customer uses 30 kWh
 - Customer's credit balance is debited \$4.50
 - \$4.20 for usage
 - \$0.30 connection fee
 - Customer makes a payment of \$10
 - \$7.50 is applied to the credit balance
 - \$2.50 is applied to the deferred balance
 - Credit balance = \$38.50
 - Deferred balance = \$147.50

Customers will see the following line items in the Account Balance Activity Report. On most days they will see two charges: usage and miscellaneous (monthly flat charges) and their resulting ending balance. Note these examples are from SC so they are not IN rates.

Date ▾	Description	Change Amount	Ending Balance
10/8/2019 2:00:44 PM	Miscellaneous Charges - 10/08/2019	(\$0.709100)	\$29.878165
10/8/2019 12:48:26 PM	Usage Charges - Read:34735.485 kWh, 10/08/2019 12:00AM, Consumption:23.967 kWh	(\$3.104120)	\$30.587265
Payments will also be listed			
10/3/2019 2:30:01 PM	Payment	\$50.000000	\$61.274365

2. **Petitioner shall work with the OUCC and CAC to establish a list of metrics, and the list shall include the Commission's metrics provided herein. Within 60 days of the Final Order in this Cause, Petitioner shall file under this Cause the list of metrics for the Pilot.**

The Commission's Final Order established the following metrics to be discussed in a final report:

- (1) applicable efficiency metrics and a discussion of how the Pilot increased efficiency in back office operations;
- (2) customer satisfaction metrics and a discussion of how the Pilot improved customer satisfaction scores and benefited Petitioner;
- (3) the actual decreased energy usage of Pilot participants;
- (4) projections regarding decreased usage and rate impact if the number of Pilot participants expanded significantly;
- (5) a discussion of how the Pilot impacted Petitioner's competition with unauthorized third-party billing agents;

- (6) all other agreed upon metrics; and
- (7) Petitioner's preliminary findings and recommendations.

The additional agreed upon metrics will included information and discussion of:

- Details regarding disconnections of customers participating in the program
- Payment details for customers participating in the program
- Enrollment information
- Details of customer payment notifications for those customers participating in the program

The Parties will continue to meet to discuss the topics to be evaluated and discussed in the final report.

3. Other Issues.

Duke Energy Indiana plans to launch the program in March of 2020 and will notify the Commission prior to program launch.

The Commission also ordered the Parties to work together to develop creditworthiness metrics and shall make reasonable efforts to minimize the deposit amounts charged to new LIHEAP Recipients. Duke Energy Indiana reports that it sent a proposal to the Parties on October 15, 2019 and that the Parties met to discuss on November 8, 2019 and discussions are ongoing.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was sent, via electronic mail,
this 12th day of November 2019, to the following:

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