



Citizens Gas | Citizens Thermal | Citizens Resources
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November 25, 2015

Brenda A. Howe
Secretary of the Commission
Indiana Utility Regulatory Commission
101 West Washington St., Suite 1500 E
Indianapolis, IN 46204

Re: Thirty – Day Filing for Citizens Pursuant to 170 IAC 1-6

Dear Ms. Howe:

Pursuant to 170 IAC 1-6-3(3), the Board of Directors for Utilities of the Department of Public Utilities for the City of Indianapolis d/b/a Citizens Energy Group and CWA Authority, Inc. (collectively “Citizens”) respectfully submit for the approval of the Indiana Utility Regulatory Commission (“Commission”) certain proposed changes to the respective terms and conditions for service (collectively “Terms and Conditions for Service”) for the gas, water, and wastewater utilities owned and operated by Citizens.

In December 2013, Citizens submitted a 30-day filing proposing certain changes to the terms and conditions for natural gas, water and wastewater utility service to address certain payment application issues related to the implementation of its combined billing initiative. After discussions with the Commission and the Indiana Office of Utility Consumer Counselor (“OUCC”), that filing was withdrawn on March 4, 2014. On March 19, 2014, the Commission commenced an investigation to address, among other things, billing practices relating to Citizens’ gas, water and wastewater utilities. In its Order in Cause No. 44462 dated March 14, 2015, the Commission made the following findings and directives:

The evidence indicates that Citizens’ December 2013 30-day filing proposal to amend its terms and conditions was designed to address 11 business issues resulting from integration of the billing and payment processes. The evidence further indicates that Citizens withdrew that proposal in early 2014. As of the date of this Order, these issues remain unresolved. Accordingly, we find that within 60 days of the date of this Order, after consultation with the OUCC to resolve these issues, Citizens should file a proposal with the Commission using the Commission’s 30-day filing procedures.

Cause No. 44462 Order at 14.

The principal business issue related to Citizens' billing and payment application processes and the December 2013 30-day filing involved certain rare circumstances that were discovered in which the combined billing system would cause payments for combined bills to be applied to older non-utility (or non-regulated) charges prior to being applied to more recent utility (or regulated) charges. That payment application issue, as well as the other issues characterized as the "11 business issues resulting from integration of the billing and payment processes," have been resolved with further modifications to Citizens' billing system. In other words, modifications to the billing system have been made to ensure that payments made for combined bills are applied to utility (or regulated) charges prior to being applied to non-utility (or non-regulated) charges, even in the rare circumstances discussed above. Likewise, in this filing, Citizens proposes changes to its terms and conditions for natural gas, water and wastewater utility service to make clear that payments made for combined bills are always applied first to utility (or regulated) charges prior to being applied to any non-utility (or non-regulated) charges, regardless of whether non-utility charges are the oldest outstanding charges on a combined bill. Citizens confirms that it consulted with the OUCC prior to submitting this filing.

Enclosed for review and approval by the Commission, please find the following:

- Tab 1 – Proposed tariff changes to Terms and Conditions for Gas Service (redline and clean)
- Tab 2 – Proposed tariff changes to Terms and Conditions for Water Service (redline and clean)
- Tab 3 – Proposed tariff changes to Terms and Conditions for Sewage Disposal Service (redline and clean)

Citizens affirms that a notice regarding the filing in the form attached hereto as Exhibit A was published on November 21, 2015 in the Indianapolis Star, a newspaper of general circulation in the Indianapolis area, where the largest number of Citizens customers are located. Citizens also affirms that this notice has been posted on the Citizens website and in its customer service lobby.

Upon approval of the enclosed tariff modifications to the Terms and Conditions for Service, please return one (1) approved stamped copy of each to Mary Lane for our files. Any questions concerning this submission should be directed to:

Korlon L. Kilpatrick II
Director, Regulatory Affairs
2020 N. Meridian Street
Indianapolis, In
Email: kkilpatrick@citizensenergygroup.com
Phone/Fax: 317-927-4592

Sincerely,

/s/ Korlon L. Kilpatrick II
Korlon L. Kilpatrick II
Director, Regulatory Affairs

Enclosures
cc: Office of the Utility Consumer Counselor

Tab 1

- 4.2.2 The Automatic Bank Deduction Plan shall be a payment plan whereby the Combined Bill amount is deducted each month from the End-Use Customer's checking account by the End-Use Customer's authorized financial institution. The Utility shall continue to provide to the End-Use Customer a monthly bill.

4.3 APPLICATION OF COMBINED BILL PAYMENT

- 4.3.1 ~~In the case of partial payments of any Combined Bill, t~~The Utility shall prorate ~~Combined-Bill~~ payments based upon billed charges for ~~applicable active~~ Utility Services and apply payments first to the End-Use Customer's oldest outstanding charges for Utility Services and then to the End-Use Customer's current charges for ~~for~~ pertaining to Utility Services where applicable. Payments will be applied to charges for non-Utility Services last.
- 4.3.2 An End-Use Customer may direct application of partial payments of a Combined Bill payments to a particular Utility Service by notifying ~~contacting~~ the Utility at the time of the payment ~~prior to the due date~~. Notification shall consist of a telephone or in person conversation with a customer service representative. ~~For all other payments the Utility is not obligated to direct payments.~~
- 4.3.3 Payments in excess of the charges for applicable ~~active~~ Utility Services will be applied to non-inactive ~~Utility Services~~ balances and prorated according to the balances of the inactive-non ~~Utility Services~~.

4.4 CORRECTION OF ERRORS

When an error is discovered in any billing or when billing is omitted, the Utility may adjust such error to the known date of error, but in any event within not more than twelve (12) Months from the date of such billing. Whenever it is discovered a Meter is not recording within the limits of accuracy as prescribed by the I.U.R.C. Rules, an adjustment of the individual billings shall be made for a period of one-half of the time elapsed since the previous Meter test, or one year, whichever period is shorter.

4.5 ESTIMATED METER READINGS

When for good cause, pursuant to 170 IAC 5-1-13(C), a Meter is not read on a normal interval, an estimated Meter reading shall be used and so identified on the bill. An estimated Meter reading for an End-Use Customer's bill will be determined by adding the End-Use Customer's calculated Gas consumption during the billing period to the Meter reading at the beginning of the billing period.

4.6 DELINQUENCY AND RELATED CHARGES

If payment for a Utility Services bill from an End-Use Customer is not received by the Utility or its agent within seventeen (17) days from the date the bill is mailed, the bill shall be considered delinquent.

- 4.2.2 The Automatic Bank Deduction Plan shall be a payment plan whereby the Combined Bill amount is deducted each month from the End-Use Customer's checking account by the End-Use Customer's authorized financial institution. The Utility shall continue to provide to the End-Use Customer a monthly bill.

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- 4.3.2 An End-Use Customer may direct application of partial payments of a Combined Bill to a particular Utility Service by notifying the Utility at the time of the payment. Notification shall consist of a telephone or in person conversation with a customer service representative.
- 4.3.3 Payments in excess of the charges for applicable Utility Services will be applied to non-Utility Services balances and prorated according to the balances of the non-Utility Services.

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If payment for a Utility Services bill from an End-Use Customer is not received by the Utility or its agent within seventeen (17) days from the date the bill is mailed, the bill shall be considered delinquent.

Tab 2

3.2.4 A single charge may be made for handling a single check from a Customer for Utility Services returned unpaid by any financial institution; such charge shall be pursuant to the Returned Check Charge set forth on Appendix B

3.2.5 The Utility may provide an Automatic Bank Deduction Plan for nonindustrial Customers (e.g. a Residential Customer or commercial Customer), which will be a payment plan whereby the Combined Bill amount is deducted each month from the nonindustrial Customer's bank account by the nonindustrial Customer's authorized financial institution. The Utility shall continue to provide to the nonindustrial Customer a monthly bill.

3.2.6 The Utility may provide a budget plan for payment of Utility Services bills by the Customer whereby the annual bill as estimated by the Utility is divided into even monthly payments. The amount actually paid by the Customer shall be balanced with the amount actually billed to the Customer and any differences shall be paid by or credited to the Customer.

3.2.7 A single charge may be made for providing a Customer with usage summary by Meter beyond the twenty-four (24) month period available online; such charge to the Customer shall be pursuant to the Usage Information Charge set forth on Appendix B.

3.3 Application of Combined Bill Payment

3.3.1 In the case of partial payments of any Combined Bill, ~~The~~ Utility shall prorate ~~Combined Bill~~ payments based upon billed charges for ~~applicable active~~ Utility Services and apply payments first to ~~the Customer's the~~ oldest outstanding charges for Utility Services and then to ~~the Customer's~~ current charges ~~for pertaining to~~ Utility Services where applicable. Payments will be applied to charges for non-Utility Services last.

~~3.3.13.3.2~~ A Customer may direct application of partial payments of a Combined Bill payments to a particular Utility Service by notifying or contacting the Utility at the time of the payment prior to the due date. Notification shall consist of a telephone or in person conversation with a customer service representative. ~~For all other payments, the Utility is not obligated to direct payments.~~

3.3.3 Payments in excess of the charges for applicable ~~active~~ Utility Services will be applied to ~~inactive non~~ Utility Services balances and prorated according to the balances of the ~~inactive non~~ Utility Services.

3.4 Adjustments Following Estimated Bills. Where the Utility has billed based on estimated consumption, the first charge after a Meter reading is obtained shall be the difference between the actual reading and the estimated reading charged in accordance with the Utility's Rate Schedules.

3.5 Requested Meter Readings. Upon request of a Customer, the Utility will make a special reading of the Customer's Meter at a time other than the time of a regularly scheduled reading for the charge prescribed in the Utility's Rate Schedules. The Utility, however, shall have no duty to issue a special bill based on such off-cycle reading.

3.6 Remote Meter Reading Service. Remote Meter reading service is available to Customers being served through $\frac{5}{8}$ -inch, $\frac{3}{4}$ -inch or 1-inch Meters. This service allows the Utility to read Meters located inside a

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3.3.2 A Customer may direct application of partial payments of a Combined Bill to a particular Utility Service by notifying the Utility at the time of the payment. Notification shall consist of a telephone or in person conversation with a customer service representative.

3.3.3 Payments in excess of the charges for applicable Utility Services will be applied to non-Utility Services balances and prorated according to the balances of the non-Utility Services.

3.4 Adjustments Following Estimated Bills. Where the Utility has billed based on estimated consumption, the first charge after a Meter reading is obtained shall be the difference between the actual reading and the estimated reading charged in accordance with the Utility's Rate Schedules.

3.5 Requested Meter Readings. Upon request of a Customer, the Utility will make a special reading of the Customer's Meter at a time other than the time of a regularly scheduled reading for the charge prescribed in the Utility's Rate Schedules. The Utility, however, shall have no duty to issue a special bill based on such off-cycle reading.

3.6 Remote Meter Reading Service. Remote Meter reading service is available to Customers being served through $\frac{5}{8}$ -inch, $\frac{3}{4}$ -inch or 1-inch Meters. This service allows the Utility to read Meters located inside a structure without entering the structure; or Meters that are generally difficult to locate or in potentially unsafe locations. The equipment to accomplish this service will be furnished, installed, maintained and replaced, if necessary, and owned by the Utility. A remote Meter reading device is a fixture at the Premises where it is installed and will not be moved to another location without the Utility's written consent.

Tab 3

- 8.1.1.4 A single charge may be made for handling a single check or electronic payment (e.g., ABD) from a Customer for Utility Services returned unpaid by any financial institution; such charge shall be pursuant to the Returned Check Charge set forth in Appendix A.
- 8.1.1.5 A single charge may be made for providing a Customer with usage summary by meter beyond the twenty-four (24) month period available online; such charge to the Customer shall be pursuant to the Usage Information Charge set forth in Appendix A.
- 8.1.2 The Utility may provide an Automatic Bank Deduction Plan for Nonindustrial Customers, which will be a payment plan whereby the Combined Bill amount is deducted each month from the Nonindustrial Customer's checking account by the Nonindustrial Customer's authorized financial institution. The Utility shall continue to provide to the Nonindustrial Customer a Monthly bill.
- 8.1.3 The Utility may provide a budget plan for payment of Utility Services bills by the Customer whereby the annual bill as estimated by the Utility is divided into even monthly payments. The annual amount actually paid by the Customer shall be balanced with the annual amount actually billed to the Customer and any differences shall be paid by (or credited to) Customer.
- 8.2 ~~In the case of partial payments of any Combine Bill, F~~ the Utility shall prorate ~~Combined Bill~~ payments based upon billed charges for ~~applicable active~~ Utility Services and apply payments first to the ~~Customer's~~ oldest outstanding charges for Utility Services and then to ~~the Customer's~~ current charges ~~for pertaining to~~ Utility Services where applicable. Payments will be applied to ~~charges for~~ non-Utility Services last.
- 8.3 A Customer may direct ~~application of partial payments of a~~ Combined Bill ~~payments to a particular Utility Service~~ by ~~contacting/notifying~~ the Utility ~~at the time of the payment/prior to the due date.~~ ~~Notification shall consist of a telephone or in person conversation with a customer service representative.~~ ~~For all other payments, the Utility is not obligated to direct payments.~~
- 8.4 Payments in excess of the charges for applicable ~~active~~ Utility Services will be applied to ~~inactive non~~ Utility Services balances and prorated according to the balances of the ~~inactive non~~ Utility Services.
- 8.5 The Utility shall measure usage and bill Industrial and Nonindustrial Customers in the following manner:
- 8.5.1 To the extent possible, bills to Industrial and Nonindustrial Customers will be based on the Customer's metered water usage or estimated water usage in any given month as provided for in Section 8.5.2.
- 8.5.2 In the event a Nonindustrial or Industrial Customer is not served by a public water supply or water used is not completely metered, the Utility shall estimate the volume and strength of the waste and use such estimate for the purposes of billing rates and charges. The foregoing estimates shall be based upon analyses and volumes of a similar

EXHIBIT A

LEGAL NOTICE

PUBLIC NOTICE is hereby given that on November 25, 2015, the Department of Public Utilities for the City of Indianapolis, acting by and through the Board of Directors for Utilities, as trustee, in furtherance of a public charitable trust for the gas and water systems d/b/a Citizens Energy Group and CWA Authority Inc., as owner of the sewer system, (collectively "Citizens") intends to file with the Indiana Utility Regulatory Commission ("Commission") certain proposed changes to their respective Terms and Conditions for gas, water, and sewage disposal service (collectively "Terms and Conditions for Service") as approved by the Commission.

Citizens is proposing modifications to language in the Terms and Conditions to allow for the application of combined bill payments for all Utility and non-Utility services to be applied first to the oldest outstanding charges and then to current charges for Utility services. Combined bill payment will be applied to charges for non-Utility services last.

The proposed changes to Citizens' Terms and Conditions for Service will be eligible for approval by the Commission on or after December 25, 2015. This notice is provided to the public pursuant to 170 IAC 1-6-6. Contact information, to which an objection should be made, is as follows:

Secretary
Indiana Utility Regulatory Commission
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Indianapolis, Indiana 46204
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Facsimile: (317) 232-6758

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