

## **STATE OF INDIANA**

Commissioner	Yes	No	Not Participating
Huston	٧		
Bennett	٧		
Freeman	٧		
Veleta	٧		
Ziegner	٧		

# INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF AN ORDER APPROVING UTILITY ARTICLES PURSUANT TO 170 IAC 1-6.	) ) )	APPROVED: JAN 17 2024
The Indiana Administrative Code pro Procedures and Guidelines pursuant to the authori The thirty-day filing process is available for cer facilitate expedited consideration of these matter requirements for the thirty-day administrative filing	ty of Ind. ( rtain routing rs by the	Code 8-1-1-3 and Ind. Code 8-1-2-42. ne and non-controversial requests to
The thirty-day filings received pursuant tare attached hereto and collectively referred to as filings in the Utility Articles approved today.		
Pursuant to the rule, the Commission recommendations to the Commission. Therefore, 170 IAC 1-6 have been met and that the Utility A.	the Comn	nission finds that the requirements of
HUSTON, BENNETT, FREEMAN, VELETA, A	ND ZIEG	NER CONCUR:
APPROVED: JAN 17 2024		
I hereby certify that the above is a true and correct copy of the Order as approved.		

Dana Kosco

**Secretary of the Commission** 

# STATE of INDIANA



INDIANA UTILITY REGULATORY COMMISSION 101 WEST WASHINGTON STREET, SUITE 1500 EAST INDIANAPOLIS, INDIANA 46204-3419 www.in.gov/iurc Office: (317) 232-2701 Facsimile: (317) 232-6758

#### **MEMORANDUM**

TO: Commission Chairman James F. Huston

Commissioners Bennett, Freeman, Veleta and Ziegner

FROM: Commission Technical Divisions

DATE: January 11, 2024

RE: 30-Day Utility Articles for Conference on Wednesday, January 17, 2024 @ 10:00 a.m.

The following thirty-day filings have been submitted to the Commission. Each item was reviewed by the appropriate Commission Technical Divisions and all regulations were met in accordance with 170 IAC 1-6 Thirty-Day Administrative Filing Procedures and Guidelines. Therefore, the following filings listed below and attached hereto are recommended to be considered by the Commission at the next conference:

Attachment Number	30-Day Filing No.	Name of Utility Company	Type of Request	Date Received
1	50687	Ohio Valley Gas, Inc.	Amended service rules	11/13/2023
2	50697	Stucker Fork Conservancy District	To increase its tap fee, non-payment (disconnect) fee, service trip fee, and damaged meter fee for all customers.	12/5/2023

Submitted By: Jane Steinhauer

Director, Energy Division

**Filing Party:** Ohio Valley Gas Corporation and Ohio Valley Gas, Inc. (OVG)

**30-Day Filing ID No.:** 50687

**Date Filed:** November 13, 2023

Filed Pursuant To: 170 IAC 1-6

**Request:** OVG proposes to make substantive changes to the following rules:

Rule 4, OVG-Owned Piping and Equipment: Under the current definition of "Service Lines" in subsection (a) of this rule OVG's responsibility is limited to the gas piping extending from OVG's gas main to the customer's property line. OVG's proposed new language would extend OVG's responsibility to install and maintain the gas service line from OVG's gas main all the way to the gas meter within the customer's property. The proposed language also addresses the cost to relocate a gas line.

Rule 9, Customer Furnished Piping and Equipment: OVG is proposing to eliminate the category of "Yard Line" defining the gas piping from the Customer's property line to OVG's gas meter. This is consistent with the change to Rule 4 described above.

Rule 18, Continuity of Service: OVG is proposing to change the title of this rule to "Quality of Gas and Continuity of Service" and then add a new second paragraph requiring all gas be of "pipeline quality" regardless of source and requiring the supplier to pay to install and maintain any improvements needed at the point of delivery.

Rule 25, Reconnection Charge: OVG proposes to add a new second paragraph to this rule allowing it to recoup its monthly minimum charge upon reactivation of service if the service was inactive for less than twelve months.

Rule 29, Budget (Level) Payment Plan: Subsection (e) of this rule currently calls for the semi-annual review of a customer's monthly payment amount. OVG proposes that such review occur annually rather than semi-annually, but with a caveat that extreme market conditions could still prompt OVG to undertake a semi-annual review and adjustment of the monthly payment amount. These and other less substantive changes are all shown on the enclosed clean and redlined version of OVG's proposed General Rules and Regulations Applicable to Gas Service.

**Customer Impact:** The revisions impact all rate class Customers that receive gas service.

**Tariff Page(s) Affected:** IURC Gas Tariff Original Volume No. 10

**Staff Recommendations:** Requirements met. Recommend approval.

### Objections - Summary: OUCC Objection filed 12/12/23

The OUCC filed an objection stating that OVG is requesting substantive changes to its rules and such changes constitute a "complex filing" under 170 IAC 1-6-1(d)(4). Therefore, the OUCC believes that such changes would be better suited and dealt with in a rate case. Additionally, the OUCC lists its objections to the proposed rule changes.

- Rule 4, OVG-Owned Piping and Equipment
   OVG's proposed change to Rule 4 would extend OVG's
   responsibility to install and maintain the gas service line from
   OVG's gas main all the way to the gas meter within the customer's
   property. The proposed language also addresses the cost to relocate
   a gas line.
- Rule 9, Customer Furnished Piping and Equipment OVG's proposed change to Rule 9 eliminates the category of "Yard Line" defining the gas piping from the Customer's property line to OVG's gas meter. The OUCC questioned OVG regarding if the Rule pertains to new or existing customers.
- Rule 18, Continuity of Service
  OVG is proposing to change the title of this rule to "Quality of Gas
  and Continuity of Service" and then add a new second paragraph
  requiring all gas be of "pipeline quality" regardless of source and
  requiring the supplier to pay to install and maintain any
  improvements needed at the point of delivery. The OUCC
  questioned OVG regarding the quality of gas.
- Rule 25, Reconnection Charge OVG's proposed change to Rule 25 adds a new second paragraph to the rule allowing it to recoup its monthly minimum charge upon reactivation of service if the service was inactive for less than twelve months. Under 170 I.A.C. 1-6-3(5), the OUCC states that OVG's proposed change to this rule is not revenue neutral and will not result in an overall decrease in revenues. In fact, the change to this rule will cause in an increase in revenues to the utility, prohibited by 170 I.A.C. 1-6-4(1) as the utility will be collecting the monthly minimum charge upon reactivation of service.
- Rule 29, Budget (Level) Payment Plan Subsection (e) of this rule currently calls for the semi-annual review of a customer's monthly payment amount. OVG proposes that such review occur annually rather than semi-annually, but with a caveat that extreme market conditions could still prompt OVG to undertake a semi-annual review and adjustment of the monthly payment amount. The OUCC questioned OVG regarding the volatility of market gas prices.

The OUCC recommends denial of OVG's 30-Day #50687 filing as currently filed. Because OVG is filing a rate case within the near future, the OUCC recommends OVG include these changes to the tariff as part of the rate case filing.

#### OVG Response filed 12/27/2023

The rule, 170 IAC 1-6-1(d)(4), actually supports the use of the 30-day filing process even for "complex" filings. All that rule says is that thirty days is the minimum amount of time in which changes may be approved, and approval of 30-day filings which are deemed to be more "complex" may require more than 30 days, just as objections to the 30-day filing, if properly raised pursuant to section 7 of the 30-day filing rules, may be a reason for approval of the requested change to take longer than 30 days. 170 IAC 1-6-1(d)(1).

Similarly, the 30-day filing rule contains no exception for circumstances when, as here, a utility is contemplating initiating a general rate case. If the requested change otherwise qualifies under the 30-day filing rule, it is not a valid objection for the OUCC to express its preference for the utility to delay making changes to its tariff so that the changes can be added to the list of issues to be addressed in a (non-expedited) rate case. The OUCC's letter makes no attempt to explain or support its blanket assertion that OVG's proposed changes "would be better suited and dealt with in a rate case setting."

• Rules 4 and 9, OVG-Owned Piping and Equipment OVG generally agrees with the OUCC's summary that these changes "would extend OVG's responsibility to install and maintain the gas service line from OVG's gas main all the way to the gas meter within the customer's property."

### • Rule 18, Continuity of Service

In general, the proposed added language to OVG's Rule 18 is intended to ensure that gas acquired by OVG for resale to its customers pursuant to statutory mandate, sometimes referred to as "native" gas, is of at least the same quality as the gas acquired voluntarily from interstate pipelines, and that the suppliers of such mandated gas — rather than OVG and, ultimately, its customers — are responsible for OVG's cost to install and maintain the equipment needed to facilitate a safe and reliable interconnection to the point of such mandated supply.

#### • Rule 25, Reconnection Charge

The OUCC had no question, pertinent or otherwise, about the change OVG proposed to Rule 25, and OVG agrees with the OUCC's summary that the change "adds a new second paragraph to the rule allowing [OVG] to recoup its monthly minimum charge upon reactivation of service if the service was inactive for less than twelve months." As a threshold matter, OVG notes that the

monthly minimum charge is not a "rate," and OVG is not proposing to increase or otherwise change the amount of its monthly minimum charge; that charge stays the same. Rather, the proposed tariff change would expand the circumstances under which that unchanged charge might be collected. Thus, the change is not covered by the prohibition on increasing "existing rates" through a 30-day filing, 170 IAC 1-6-4 (1), but is instead analogous to a charge for "new services," in this case for reactivated service, which are expressly allowed as a 30-day filing under 170 IAC 1-6-3(1).

Although the OUCC does not clearly state its apparent objection, the Commission and OVG are left to infer from the fact that the OUCC quotes 170 IAC 1-6-3(5) that it is the OUCC's view that OVG's proposed change to Rule 25 is inconsistent with that rule which expressly allows certain types of changes to rates and charges in a 30-day filing. As noted above, OVG is not proposing to change any rate or charge. According to the OUCC, OVG's proposed change to Rule 25 "will cause in [sic] an increase in revenues to the utility, as the utility will be collecting the monthly charge upon reactivation of service." acknowledges that expanding the conditions when a returning customer owes the minimum monthly charge has the potential to increase revenues to the utility. However, the fact that a proposed change could increase revenue to the utility does not by itself disqualify the change from being approved as a 30-day filing. As noted above, allowed 30-day filings include rates and charges for new services, which presumably increase revenues to the utility. Instead, the question is whether the increased revenue is the result of an increased rate or charge. Here it is not. Furthermore, the OUCC's letter is devoid of any analysis of the merits of the proposed change. If the OUCC prefers to maintain the status quo with respect to the annual gaming of the system to allow shortterm service discontinuance during warm weather months at no cost to reconnect, they have not explained why. The OUCC has not identified a valid objection to OVG's proposed change to Rule 25.

### • Rule 29, Budget (Level) Payment Plan

OVG has proposed that its review of a customer's monthly payment amount might occur annually rather than, as specified in OVG's current tariff, semi-annually. As a courtesy, OVG offers its customers the option of paying a set amount each month. Customers availing themselves of this option enjoy predictability in their monthly bills, and when the fixed period of monthly charges concludes, OVG calculates the variance between the amounts collected from the fixed amount and what would have been owed for the same gas service. A positive variance is paid back to the customer in the form of a credit on subsequent bills, while a negative variance is added to the customer's bill. Because

significant variances are in neither OVG's nor its customers' interest, OVG included the language about unforeseen extreme conditions and volatile market gas prices as a safety valve to potentially reduce the amount of a customer's variance if it appears likely the pricing assumptions made when the fixed amount was determined are far from the actual price of gas closer to the time of consumption. But OVG has not attempted to identify a fixed number of days or months gas prices would have to be volatile to trigger a six-month review, nor how long gas prices would have to have stabilized in order return to an annual review.

As demonstrated with specificity above, the OUCC has failed to state any valid objection to OVG's 30-day filing. Accordingly, that filing should be approved by the Commission at its next opportunity.

### **General Counsel Analysis and Findings:**

Upon review of the objection and the utility's response filed on December 27, 2023, the Commission's General Counsel advised that the 30-day filing may proceed through the process as the OUCC's objections did not comply with 170 IAC 1-6-7(b)(2). The OUCC's letter fails to demonstrate how OVG's filing is in violation of an applicable criteria necessary for a valid objection for Rules 4, 9, 19, 25, and 29.

**Staff Recommendations:** Staff agrees with General Counsel's analysis and findings that the objections to the filing are not compliant with Commission rules. Filing requirements have been met. Recommend approval.

Submitted By: E. Curtis Gassert

Director, Water/Wastewater Division

Filing Party: Stucker Fork Conservancy District

**30-Day Filing ID No.:** 50697

Date Filed: December 5, 2023

**Filed Pursuant To:** 170 IAC 1-6

**Request:** To revise its Tap Fee, non-payment fee, service trip fee and damaged

meter fee.

## **Customer Impact:**

	Fee Name	Current	Proposed
(G)	Tap Fee (5/8" meter)	\$1,380	\$2,080
(I)	Service Trip Fee – During Business Hours	NA	\$70
(I)	Service Trip Fee – After Business Hours	NA	\$100
(K)(a)	Disconnect-Reconnect Fee	\$45	\$44
(K)(b)	Disconnect-Reconnect Fee	\$25	\$25
(L)	Damaged Meter Fee	NA	\$354

Tariff Page(s) Affected: Pages 2 - 5

Staff Recommendations: Requirements Met. Approval Recommended.