

P.S.C.
Adm. Reg. 24-1-1
Series IV



STATE OF WEST VIRGINIA
PUBLIC SERVICE COMMISSION
CHARLESTON, 25305

May 20, 1982

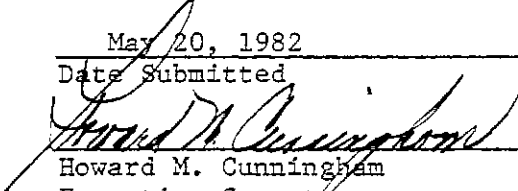
STATE REGISTER FILING
NOTICE OF PROPOSED RULEMAKING

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE
THIS DATE 5/20/82

I, Howard M. Cunningham, Executive Secretary, Public Service Commission of West Virginia, hereby submit to record in the State Register on 8-1/2" x 11" paper, two (2) copies of a proposed rule amending the Rules and Regulations for the Government of Gas Utilities and Gas Pipeline Safety, as administered by the Public Service Commission of West Virginia.

This proposed rule is filed in the Office of the Secretary of State, State of West Virginia, pursuant to the requirements of Chapter 29A-3-7 and 29A-3-8, Code of West Virginia. This matter is set for public hearing to be held in the Commission's Hearing Room at the Capitol in Charleston on June 22, 1982, at 9:30 a.m., EDST., at which time all interested parties shall submit to the Commission in writing or orally, any data, objections, views, suggested amendments, comments and arguments pertaining to the proposed rule.

May 20, 1982
Date Submitted


Howard M. Cunningham
Executive Secretary

GENERAL ORDER 185.6

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

At a session of the PUBLIC SERVICE COMMISSION OF WEST VIRGINIA at the Capitol in the City of Charleston on the 20th day of May, 1982

GENERAL ORDER NO. 185.6

IN THE MATTER OF BUDGET PAYMENT PLANS
FOR NATURAL GAS UTILITIES
Amending the Rules and Regulations
for the Government of Gas Utilities
and Gas Pipeline Safety

FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE
THIS DATE 5/20/82

WHEREAS, it has come to the attention of the Commission that several of the gas utilities operating in West Virginia that offer budget payment plans to their customers include an amount reflecting a purchased gas factor which has not been approved by the Commission or which includes an amount reflecting a proposed increase in base rates which has not been approved by the Commission; and

WHEREAS, the Commission is of the opinion that all gas utilities subject to this Commission's jurisdiction should offer a budget payment plan to their residential and commercial customers reflecting only the rates which have actually become effective by operation of law or by action of the Public Service Commission of West Virginia; and

WHEREAS, the Commission is further of the opinion that a budget payment plan should be included in the Commission's Rules and Regulations for the Government of Gas Utilities and Gas Pipeline Safety.

UPON CONSIDERATION WHEREOF, the Commission is of the opinion and belief that it is appropriate to establish a general rule pertaining to budget payment plans for all gas utilities in the State of West Virginia to replace all such plans now in use by various gas utilities operating in this state.

IT IS, THEREFORE, ORDERED that the proposed rule, contained on pages 2 and 3 of Appendix A, attached hereto, and made a part of this order, be, and hereby is, adopted as a Commission proposed rule amending Rule 4.00 - Customer Relations of the Commission's Rules and Regulations for the Government of Gas Utilities and Gas Pipeline Safety by adding a new section thereto entitled Rule 4.14 - Budget Payment Plan.

IT IS FURTHER ORDERED, that all gas utilities which operate in this state over which the Commission has authority to regulate the services they provide to the public are hereby made parties and respondents to this proceeding.

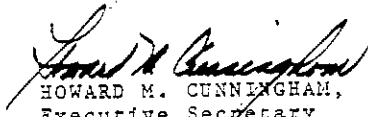
IT IS FURTHER ORDERED, that the Executive Secretary of the Commission is directed to file a copy of this order with the Office of the Secretary of State for inclusion in the State Register, together with a notice as required by W.Va. Code §29A-3-5 and W.Va. Code §29A-3-7 (as amended May 11, 1982, by House Bill 1432), attached as Appendix B, which notice shall be published as a Class I legal advertisement in each county in this state at the expense of the Commission.

IT IS FURTHER ORDERED, that a hearing is hereby set for June 22, 1982, at 9:30 a.m., EDST, in the Commission's Hearing Room at the Capitol in the City of Charleston at which time all interested parties may submit evidence, data, objections, views, suggested amendments and arguments, in writing or orally, concerning the proposed rule.

IT IS FURTHER ORDERED, that the Executive Secretary of the Commission shall serve a copy of this order upon each gas utility made a respondent to this proceeding by United States Certified Mail, return receipt requested.

A TRUE COPY

TESTE:


HOWARD M. CUNNINGHAM,
Executive Secretary

COMMISSION GENERAL ORDER ESTABLISHING A LEVELIZED
ANNUAL PAYMENT PLAN FOR GAS UTILITIES

Because of the rising commodity costs for natural gas, and the seasonal fluctuations in usage by most residential and commercial customers there is a wide fluctuation in gas bills for the average residential and commercial customer between summer and winter periods. It is not unlikely that monthly gas bills could range from 5 to 10 dollars in the summer to an excess of \$150 in the winter. Since this variability may result in hardships to some customers who do not provide in their personal budgeting for high winter utility bills, the Commission believes that it would be in the best interest of both the customers and the utility companies to make available an optional levelized payment plan which could be used by customers for the purposes of eliminating wide variances in their monthly payments for natural gas service.

Because of changing patterns in customer usage as well as changing rates, the Commission realizes that a levelized annual payment plan cannot guarantee an equal monthly payment for gas over an entire year. The purpose of the Commission's levelized payment plan is to provide customers with an automatic budgeting mechanism. Although the monthly amount to be paid may change from time to time, under the levelized payment plan such changes should not be as abrupt or as often as normal monthly gas billings. Since one of the major contributing factors to increased gas costs has been the purchased gas cost increment of rates, and since under present Commission rules this increment changes effective November 1 of each year, we believe that our goal of a levelized annual payment plan which will remain relatively stable can best be accomplished by requiring that the levelized payment plan begin with November billings and end with October billings of the following year.

In consideration of the above stated goals the Commission will require all gas utilities to offer, on an optional basis, the following plan for payment of bills by all residential and commercial customers who use gas as their primary source for either space heating or cooling.

RULE 4.14 BUDGET PAYMENT PLAN

(1) LEVELIZED ANNUAL PAYMENT PLAN:

Each gas utility must offer to all residential and commercial customers who use gas as the primary source of space heating and cooling, an opportunity to pay for gas service on a monthly basis under the provisions of this levelized annual payment plan. The application period for the levelized payment plan will cover the twelve month period from November 1 through October 31 of the following year.

The monthly levelized payments, before adjustments, shall be based on an estimate of each customer's estimated twelve monthly bills over the next application period. The Company shall calculate the annual amount based on estimated usage on a monthly basis at the rates in effect at the beginning of the application period. The monthly levelized amount shall be equal to 1/12 of the annualized billing so calculated.

Any debit balance resulting from the prior application of a levelized payment plan remaining in a customer's account prior to the first billing each year under the levelized annual payment plan shall be reflected in the monthly payment required by adding 1/12 of such debit balance to the estimated annualized amount calculated.

Monthly payments required under the levelized annual payment plan shall be net of any credit balance remaining from the prior application period.

The companies shall review the status of each levelized annual payment plan account and make appropriate adjustments to the monthly payment effective with May billings each year. Effective with May billings the levelized annual payment plan amount will be recalculated based on the estimated usage over the next six months at the rate in effect as of May 1 of each year. The revised levelized annual payment plan amount shall be equal to 1/6th of the total (or difference) of the six months estimate plus or minus the balance of the account prior to the May billing.

(2) PARTIAL APPLICATION PERIOD FOR LEVELIZED PAYMENT PLAN:

Whenever any customer who would qualify for the levelized payment plan files a request, he shall be placed on a levelized payment schedule for the remainder of the current application period. If upon requesting a levelized payment plan the customer has a debit balance which is not more than twenty days past due, such debit balance may be included in the calculation of the levelized payment amount. Any debit balance which is more than twenty days past due shall either be paid by the customer or subject to a separate agreement for payments pursuant to Commission's Rules and Regulations regarding unpaid past due accounts.

It shall be the responsibility of the gas companies to adopt policies for providing notice to their customers of the availability of and advantages of a levelized annual payment plan. Any levelized payment plan will be canceled and the total balance shall become due (or refundable) under the following circumstances:

1. At the customer's request to discontinue the levelized annual payment plan.
2. At the customer's request for discontinuance of service.

PUBLIC SERVICE COMMISSION
OF WEST VIRGINIA
CHARLESTON

GENERAL ORDER NO. 185.6


IN THE MATTER OF BUDGET PAYMENT PLANS
FOR NATURAL GAS UTILITIES.
Amending the Rules and Regulations
for the Government of Gas Utilities
and Gas Pipeline Safety

NOTICE OF PROPOSED RULE MAKING

On May 20, 1982, the Public Service Commission of West Virginia promulgated a proposed rule which requires gas utilities to offer their residential and commercial customers who use gas as their primary source for space heating or cooling, an opportunity to pay for gas service on a monthly basis under the provisions of the Commission's proposed Budget Payment Plan or Levelized Annual Payment Plan. The proposed application period for such Plan will cover the twelve month period from November 1 through October 31 of the following year. The proposed Plan reflects only the rates which have actually become effective by operation of law or by action of the Public Service Commission of West Virginia. It also provides for a semi-annual adjustment of monthly payments every November 1 and May 1 for rates in effect at such dates.

A hearing will be held on June 22, 1982 at 9:30 a.m. EDST, in the Commission's Hearing Room at the Capitol in the City of Charleston at which time all interested parties shall submit to the Commission in writing or orally, any data, objections, views, suggested amendments, comments and arguments pertaining to the proposed rule. No comments will be received after this hearing unless a showing of good cause is made.

Copies of the rule may be obtained from the Executive Secretary's office, telephone number (304) 348-2182.


Howard M. Cunningham
Executive Secretary