

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In The Matter Of:

ELECTRONIC JOINT APPLICATION OF)	
LOUISVILLE GAS AND ELECTRIC)	
COMPANY AND KENTUCKY UTILITIES)	
COMPANY FOR CERTIFICATES OF)	CASE NO. 2018-00005
PUBLIC CONVENIENCE AND NECESSITY)	
FOR FULL DEPLOYMENT OF ADVANCED)	
METERING SYSTEMS)	

RESPONSE OF
ASSOCIATION OF COMMUNITY MINISTRIES, INC.
TO
COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION
DATED MAY 29, 2018

FILED JUNE 8, 2018

VERIFICATION

COMMONWEALTH OF KENTUCKY)
)
COUNTY OF JEFFERSON) SS:

The undersigned, Michael Ashabraner, being duly sworn, deposes and says that he is Deputy Treasurer of the Board of Directors of Association of Community Ministries, Inc., that he has personal knowledge of the matters set forth in the Responses of Association of Community Ministries, Inc. To Commission Staff's Initial Request For Information Dated May 29, 2018, and that the information contained therein is true and correct to the best of his information, knowledge and belief formed after a reasonable inquiry.

M. Ashabraner
MICHAEL ASHABRANER

Subscribed and sworn to before me, this 7th day of June, 2018.

Deena Malone
NOTARY PUBLIC
KENTUCKY STATE AT LARGE

My Commission expires: 3/1/2020

ASSOCIATION OF COMMUNITY MINISTRIES INC.

CASE NO. 2018-00005

**Response to Commission Staff's Initial Request for Information
Dated May 29, 2018**

Question No. 1

Responding Witness: Michael Ashabraner

- Q-1. Refer to the Direct Testimony of Michael Ashabraner ("Ashabraner Testimony"), pages 4-5, which states that Louisville Gas and Electric Company's ("LG&E") annual contribution of current shareholder funds to ACM is \$700,000; that ACM administered \$971,408 in utility assistance funds in 2016; and that \$463,986 of ACM's utility assistance funds came from LG&E's shareholder contribution. Provide the amount of LG&E's annual contribution of shareholder funds to ACM in 2016 and, if the annual contribution of shareholder funds amount exceeds \$463,986, explain how ACM spent the funds in excess of the \$463,986.
- A-1. ACM received \$500,000 from LG&E in 2016. ACM is allowed to use 10% (\$50,000) for administration expenses. ACM spent the funds in excess of the \$463,986 for administration expenses.

ASSOCIATION OF COMMUNITY MINISTRIES INC.

CASE NO. 2018-00005

**Response to Commission Staff's Initial Request for Information
Dated May 29, 2018**

Question No. 2

Responding Witness: Michael Ashabraner

Q-2. Refer to ACM's Motion to Intervene, paragraph 7, which acknowledges that LG&E is not proposing to change its service disconnection policies in conjunction with its request to install Advanced Metering Systems ("AMS"). Also refer to LG&E's Tariff Sheet 105(H), which sets forth the time periods and procedures for service disconnection for non-payment of bills. Last, refer to Ashabraner Testimony, pages 8-9, which discusses the potential for a larger number of disconnections occurring due to the ability for remote disconnection with AMS meters.

- a. Explain why it is not reasonable for LG&E to implement tariff provisions that have been accepted by the Commission.
- b. Explain whether ACM believes that a larger number of customers with overdue bills will be disconnected earlier in the collection cycle or whether ACM believes that a larger number of customers will be disconnected if AMS meters are installed.
- c. Provide the basis for ACM's scenario that the number of disconnections will double if AMS meters are approved by the Commission.

A-2.

- a. ACM does not maintain that it is unreasonable for LG&E to implement tariff provisions that have been accepted by the Commission. Rather, ACM is concerned that if AMS is approved and technologies of disconnect change, these tariff provisions may allow consequences not contemplated when the tariff was approved. These include potential unintended consequences related to capabilities of remote disconnection technology to disconnect large numbers of customers at once.
- b. As LG&E has not provided details about how the remote disconnection system will be implemented, it is difficult to assess what the impact will be. ACM fears that both a larger number of customers with overdue bills will be disconnected earlier in the collection cycle and that a larger number of customers will be disconnected if AMS meters are installed.

ACM is concerned that disconnections will occur earlier in the collection cycle upon implementation of remote disconnection because, as discussed in the Ashabraner

Testimony at page 8, the remote disconnection system will not be limited by several of the factors which currently affect how many disconnections LG&E carries out per day.

Furthermore, once these limitations are removed, as explained in the Ashabraner Testimony at pages 9-10, larger numbers of customers may be disconnected simultaneously, potentially flooding ACM agency phone lines with requests for assistance. Too concentrated a demand for post-disconnection assistance appointments would outstrip agencies' scheduling capacity. This would cause longer wait times for appointments, including for clients who are trying to avoid disconnection. Some may be disconnected before they can be seen as a result.

- c. The scenario was a hypothetical to illuminate the potential impact of remote disconnections on ACM agencies' ability to serve customers. ACM is flagging these issues so that the Commission can assure that appropriate safeguards are in place before approving remote disconnections and so that LG&E will have a better understanding of the possible impacts on its customer base, and will have an opportunity to think through some of these complexities before the system is designed.

ASSOCIATION OF COMMUNITY MINISTRIES INC.

CASE NO. 2018-00005

**Response to Commission Staff's Initial Request for Information
Dated May 29, 2018**

Question No. 3

Responding Witness: Michael Ashabraner

- Q-3. Provide the average length of time between when clients contact an ACM agency to schedule an appointment and the date of their appointment to request financial assistance with LG&E bills.
- A-3. ACM does not keep data on the average length of time between when clients contact an ACM agency to schedule an appointment and the date of their appointment. The length of time between when clients contact an ACM agency and the date of their appointment can vary widely. Several factors affect this variation, such as the volume of calls, how many appointments are available and the particular agency. Some agencies are in higher poverty areas and receive a higher volume of calls. The time of year can also affect how long a client must wait. After LIHEAP Crisis funds end, there are many clients with high balances after the winter months, and this causes an influx of calls in April and May. In addition, ACM agencies provide services other than LG&E assistance, including rent, water and food assistance and some of their appointment slots are taken by clients needing these other services.

ASSOCIATION OF COMMUNITY MINISTRIES INC.

CASE NO. 2018-00005

**Response to Commission Staff's Initial Request for Information
Dated May 29, 2018**

Question No. 4

Responding Witness: Michael Ashabraner

- Q-4 Refer to Ashabraner Testimony, page 10, which discusses how disconnections impact customers who face health risks without electric service. Also refer to LG&E Tariff Sheet 105(H), which provides that service will not be disconnected for 30 days from the original date of discontinuance for customers who provide medical certification that a household member has an illness or infirmity that will be aggravated if electric service is disconnected.
- a. Explain the basis for ACM's statement that, if AMS is approved, more disconnections will occur for customers who face health risks without electric service.
 - b. Provide the percentage of clients for whom ACM agencies provide financial assistance with LG&E bills who are eligible under the medical certificate provision of LG&E Tariff Sheet 105(H), but have not yet presented a medical certificate to prevent or delay disconnection.
 - c. Provide the percentage of clients who receive financial assistance with LG&E bills from ACM agencies after the client presented a medical certificate to LG&E, thus preventing disconnection for an additional 30 days from the original disconnection notice under LG&E Tariff Sheet 105(H).
 - d. Explain whether ACM agencies prioritize or expedite appointments for financial assistance with LG&E bills for persons with illness or infirmity that will be aggravated without electric service.
- A-4.
- a. As stated above in response to Question 2, ACM is concerned that remote disconnection has the potential to increase the number of customers disconnected, depending on how it is done. Among customers who are disconnected are those who have health risks, and if the number overall increases, we would expect the number of disconnections of customers with health risks to increase as well. In the five highest poverty zip codes ACM agencies serve, for example, anywhere from 11.9% to 26.9% of households have at

least one member who qualifies for Supplemental Security Income (“SSI”) benefits under the federal poverty program assisting the low-income elderly and disabled.¹

We suspect that the medical certification extension in LG&E Tariff 105(H) may not help all customers with health risks particularly given a shorter timeframe for disconnections. Some clients are not aware of this provision. Some of our clients do not have a regular doctor and in order to obtain the certification would need to get an appointment with a medical provider - which might not be possible in time to avoid the disconnection. We have observed that some of ACM’s clients do not have reliable transportation and sometimes must delay or reschedule appointments due to transportation issues. Some clients cannot afford the cost of a medical visit.

- b. ACM does not have this information.
- c. ACM does not have this information.
- d. ACM agencies can try to prioritize or expedite appointments for persons with illness or infirmity, but it is not always possible. ACM agencies’ capacity to serve is already strained, and there are times it is not possible to get someone in when the schedule is already booked with other clients facing emergencies.

¹ U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates, Selected Economic Characteristics.

ASSOCIATION OF COMMUNITY MINISTRIES INC.

CASE NO. 2018-00005

**Response to Commission Staff's Initial Request for Information
Dated May 29, 2018**

Question No. 5

Responding Witness: Michael Ashabraner

Q-5. Refer to Ashabraner Testimony, pages 12-13, regarding ACM's concerns regarding timing and notice of disconnection. Describe with specificity ACM's proposal for the terms of service for disconnection of service for non-payment of bills, should the Commission approve LG&E's request to install AMS.

A-5. Without more specific information on how LG&E plans to design and implement remote disconnections, it is difficult to know comprehensively what should go into the terms of service for disconnection of service for non-payment of bills. Subject to any changes that may be called for once LG&E's specific plans are known, ACM proposes the following regarding (1) notice provisions and (2) a process by which the need for further changes to the terms of service may be assessed.

Concerning notice, the current protections in the terms of service should be kept, including the requirement of a 10 day written notice separate from the original bill. In addition, the terms of service should provide that LG&E must:

- Provide at least one automated voice message to all customers for whom LG&E has a phone number of the date and time of the impending disconnection;
- Offer customers the option of receiving additional notice of disconnection by email, text or voicemail; and
- Offer the customer the option of adding notice to an authorized third party (such as a caregiver).

These notice procedures should be put in place before any existing or future customers may be remotely disconnected for nonpayment.

Concerning assessment of what, if any, other specific changes to the terms of service may be warranted, once LG&E has designed the remote disconnection system, ACM recommends that before LG&E may be allowed to implement remote disconnection for nonpayment the Commission order that:

- Once the Companies have designed the details of how the remote disconnection system will work, they share such details with the Commission and parties to this case;
- LG&E do an assessment of the effect of remote disconnection on the numbers and geographic distribution of customers subject to disconnection at one time and share this with the Commission and the other parties to the case; and
- The parties shall have an opportunity to recommend additional changes to the terms of service for disconnection of service for non-payment of bills for the Commission to consider based on the above.

Respectfully submitted,



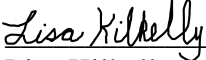
Lisa Kil Kelly
Eileen L. Ordovery
LEGAL AID SOCIETY, INC.
416 W. Muhammad Ali Blvd., Ste. 300
Louisville, Kentucky 40202
Telephone: (502) 584-1254
Facsimile: (502) 584-8014
Email: LKilKelly@laslou.org
EOrdovery@laslou.org

Counsel for ACM

Dated: June 8, 2018

CERTIFICATE OF COMPLIANCE

In accordance with 807 KAR 5:001, Section 8, I hereby certify that Association of Community Ministries, Inc.'s June 8, 2018 electronic filing of the foregoing Response of Association of Community Ministries, Inc. to Commission Staff's Initial Request for Information dated May 29, 2018 is a true and accurate copy of the same document being filed in paper medium; that the electronic filing has been transmitted to the Commission on June 8, 2018; that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that an original and six copies in paper medium are being mailed to the Commission via Express Mail on June 8, 2018.



Lisa Kil Kelly