

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA  
COLUMBIA, SOUTH CAROLINA

PROCEEDING #15-11466

APRIL 1, 2015

2:20 P.M.

**ALLOWABLE EX PARTE BRIEFING [Docket No. 2015-70-EG]**

REQUESTED BY THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF – PROPOSED  
RESIDENTIAL CUSTOMER BILLS OF RIGHTS FOR BOTH ELECTRIC AND GAS CUSTOMERS

**TRANSCRIPT OF  
ALLOWABLE *EX PARTE* BRIEFING**

**COMMISSION MEMBERS PRESENT:** Nikiya M. 'Nikki' HALL,  
*Chairman*; and COMMISSIONERS John E. 'Butch' HOWARD,  
Elliott F. ELAM, JR., Comer H. 'Randy' RANDALL, Elizabeth  
B. 'Lib' FLEMING, and G. O'Neal HAMILTON,

ADVISOR TO COMMISSION: Joseph Melchers, General Counsel

**STAFF PRESENT:** F. David Butler, Senior Attorney; James Spearman,  
Ph.D., Executive Assistant to Commissioners; B. Randall Dong, Esq.,  
Josh Minges, Esq., and David W. Stark, III, Esq., Legal Staff; Doug  
Pratt, Tom Ellison, and Lynn Ballentine, Advisory Staff; Jo Elizabeth  
M. Wheat, CVR-CM/M|GNSC, Court Reporter; and William O. Richardson and  
Calvin Woods, Hearing Room Assistants

**APPEARANCES:**

**JEFFREY M. NELSON, ESQUIRE**, along with **DAWN M. HIPP**  
[Director, Consumer Services, Transportation, and  
Water/Wastewater Departments / ORS], and **APRIL B. SHARPE**  
[Manager, Consumer Services Department / ORS], presenters,  
representing the **SOUTH CAROLINA OFFICE OF REGULATORY STAFF**

**JOHN M. REAGLE, ESQUIRE**, Neutral Designee

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Please note the following inclusions/attachments to the record:

- PowerPoint presentation (PDF)
- Hand-outs (4) provided for briefing
- Referenced Commission Orders
- Referenced ORS Request (Docket 2015-70-EG)

For identification of additional referenced materials (if any) and links for same, please see:

- Correspondence filed as part of the *ex parte* briefing process

P R O C E E D I N G S

1  
2           **CHAIRMAN HALL:** All right. Mr. Nelson,  
3 whenever you're ready.

4           **MR. NELSON:** I don't really have much. I just  
5 need to do an introduction. Ms. Dawn Hipp and Ms.  
6 April Sharpe are here, and they will do a  
7 presentation for the Commission regarding a  
8 Proposed Residential Customer Bill of Rights for  
9 both electric and gas customers.

10          **CHAIRMAN HALL:** Thank you. And let me hear  
11 from our attorney first.

12          **MR. MELCHERS:** Thank you, Madam Chairman.  
13 Commissioners, we are here pursuant to a Request  
14 for an Allowable Ex Parte Briefing. The request  
15 has come from the Office of Regulatory Staff and it  
16 is regarding a Proposed Residential Customer Bill  
17 of Rights for both electric and gas customers, to  
18 be held today, here in the Commission hearing room,  
19 April 1, 2015. Thank you, Madam Chairman.

20          **CHAIRMAN HALL:** All right. Thank you.

21                 Ms. Hipp?

22          **DAWN HIPPI [ORS]:** Thank you, Chairman Hall. I  
23 wholeheartedly agree with the last motion, even  
24 though it was April Fool's.

25                         [Laughter]

1 I would suggest an *ex parte* would be more  
2 exciting on that topic. And we could go ahead and  
3 do a taste-testing, and maybe if you could work on  
4 beverage trucks next year --

5 [Laughter]

6 -- we could have, you know, a wine and food  
7 truck pairing. That would be great.

8 [Reference: Presentation Slide 1]

9 We appreciate the opportunity to come before  
10 you today to talk about the Bill of Rights. As you  
11 know, we had filed a request that the Commission  
12 review the Bill of Rights and its revisions, and  
13 take it into consideration and potentially issue an  
14 order approving those. And so, when you requested  
15 an *ex parte*, we were more than happy to go ahead  
16 and put that together for you.

17 [Reference: Presentation Slide 2]

18 Just in brief, the Bill of Rights was  
19 developed by President Kennedy in 1962. He saw  
20 that, in the 1950s, consumers in the United States  
21 did not have many protections available to them.  
22 They basically did not have a voice. And as we  
23 find with utility customers, those utility  
24 customers don't at all times have choices in the  
25 electric and gas area, because those are virtual

1 monopoly type organizations. So they can't pick up  
2 their dollars and move them somewhere else, due to  
3 where they are located.

4 So we feel that the Consumer Bill of Rights is  
5 really an important piece. In the 1960s, President  
6 Kennedy decided -- and his administration --  
7 decided that the Bill of Rights should cover  
8 several things, and that included the right to  
9 choose, for consumers; the right to safety; the  
10 right to be informed of what was going on with the  
11 products that they were choosing to spend their  
12 money on; and then the right to be heard, if they  
13 were unsatisfied by a product or they were  
14 unsatisfied with the information that was  
15 available, that they would have a body --  
16 governmental or a consumer advocate -- that they  
17 could reach out to, to have questions answered.

18 In 1985, then, the administration then  
19 increased the Bill of Rights overview and added  
20 four additional items. And you hear about these  
21 when you have consumer complaints come before you,  
22 and you offer them the opportunity for redress and  
23 a remedy. They have environmental health concerns,  
24 which you hear of, potentially, in the electric and  
25 gas industry. Consumers have a right to service.

1           They have a right to walk into a store and be  
2           serviced or be provided a good quality product.  
3           And, again, they have the right to consumer  
4           education. And that is, really, when you get down  
5           to the Consumer Bill of Rights, what it's all  
6           about. The Consumer Bill of Rights is a tool to  
7           provide those consumers with the education on what  
8           is basically available to them.

9                     And, with that, the consumer also has  
10           responsibilities. You'll notice on the slide, the  
11           last word is "responsibilities." Not only do they  
12           have rights, but they have obligations when they  
13           choose to spend their money on certain items or  
14           partake of utility service, that they use the  
15           product for its intended purpose, that they do a  
16           good evaluation before they make a buying decision.  
17           Let's say in the telecommunications world, it is  
18           incumbent upon the customer to evaluate the  
19           different choices that are available to them. They  
20           can choose a product at an affordable price, in  
21           most or all sectors of the economy, and they also  
22           have an obligation to express concerns if they  
23           don't perceive service or a product that meets  
24           their expectations.

25                     So those are their responsibilities. When

1           they contact us, not only do we talk to them about  
2           their rights under your Regulations and educate  
3           them using the Bill of Rights, but we also talk to  
4           them about what their responsibilities are.

5                               [Reference: Presentation Slide 3]

6           Very quickly, one of the things the Commission  
7           wanted to hear about was the development of the  
8           Bill of Rights. And while I don't have the  
9           information that supports a Bill of Rights that  
10          predates what I've got on the next slide, you know,  
11          maybe there was one and you might have that  
12          information, but we chose to look at the current  
13          Bill of Rights that the Commission has, and that  
14          was developed as early as 1987. You and your staff  
15          had developed a Residential Bill of Rights for  
16          electric and gas, and you issued two orders in  
17          1987, as well, and those, of course, are part of  
18          the Commission's records.

19          In 1991, you picked up the Bill of Rights  
20          again and expanded it to water, wastewater, and  
21          telecommunications, made some changes to the Bill  
22          of Rights, and ordered that in three orders, and  
23          those are seen on the slide.

24          Then, in 1995, that was the last time the  
25          Commission and its staff reviewed the Bill of

1 Rights, in total, and it approved revisions at that  
2 time, as well, and that is the working copy that,  
3 when ORS began in 2004, we started with. So when  
4 we began in 2004, we went ahead and made revisions  
5 informally to inform the utilities that, "If you  
6 have a Bill of Rights, you need to incorporate the  
7 role of the Office of Regulatory Staff and make  
8 sure that your customers have our toll-free number  
9 and our website," as it was required.

10 And then from the time from 2004 to 2015,  
11 we've seen some regulatory development -- not much  
12 in electric and gas, but some cleanup was needed of  
13 the Bill of Rights, and we took the opportunity in  
14 early 2014 to start working internally, and then  
15 working with the utilities to take a look at the  
16 changes, and that's what you're seeing today.

17 [Reference: Presentation Slide 4]

18 Again, the changes are just to incorporate any  
19 regulatory updates, procedural updates. The  
20 Commission changed the style in which consumers  
21 could interact on complaints, made it much easier  
22 for a consumer to file a complaint. It's very  
23 clear to them, using your online form, how to reach  
24 you, and we have incorporated that into the Bill of  
25 Rights.



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put before you for approval.

A couple of things that you might not see in the Bill of Rights are: Real specific information related to the Regulations. You know, you can do a deep dive into the Regulations, but what we find is that the only people that do deep dives are the regulators, the utility, and any attorney that might be involved. A customer really doesn't take the time to understand all the legal language, and so the Bill of Rights was to make it real plain-spoken; they could get a snippet of what their right was, and if they were interested in talking more about it or having a reference to a regulation, they could contact our agency or ask the utility about it. So the Bill of Rights isn't as comprehensive as one might think, where it's going to detail each and every regulation for the customer.

[Reference: Presentation Slide 5]

Just to summarize the revisions at a real high level, you'll find that the Bill of Rights has more consumer-friendly language and format. We've incorporated the updated PSC online complaint form. We've updated the ORS contact information and how to file an online complaint with our agency. And

1 then we cleaned up any sort of grammar or spelling  
2 issues, moved a comma here, moved a comma there,  
3 that type of thing. In terms of substantive  
4 changes, though, I don't think that you will see  
5 any real substantive changes in the Bill of Rights  
6 as proposed.

7 [Reference: Presentation Slide 6]

8 We do have a couple of handouts for you. One  
9 is that we noticed, in the Natural Gas Utilities  
10 Bill of Rights that was filed along with our  
11 letter, an error; and I wanted to go ahead and  
12 provide you with an updated copy.

13 And, Calvin, that's right -- it should be in a  
14 green -- right there, yeah. Actually, all three of  
15 those could be handed out.

16 **MR. WOODS:** [Indicating.]

17 **DAWN HIPP [ORS]:** And I'll wait for you to get  
18 a copy of those.

19 [Documents distributed]

20 The Bill of Rights, as you know, are premised  
21 upon Subarticle 4 in your Regulations, for both gas  
22 and electric. And when you work with them as much  
23 as we do, we get real comfortable thinking that,  
24 you know, everything is the same between electric  
25 and gas -- and it is not. And what we discovered,

1 as we were reviewing for the presentation, the  
2 document that I'd like you to look at is titled at  
3 the top left-hand corner "Bill of Rights - Revised  
4 4-1-2015." And I'm handing you a lot of same-  
5 looking items. But the change that we have made  
6 to --

7 **CHAIRMAN HALL:** I'm sorry, which one should we  
8 be looking at?

9 **DAWN HIPP [ORS]:** It would be the "Bill of  
10 Rights - Revised 4-1-2015."

11 **CHAIRMAN HALL:** Okay.

12 **DAWN HIPP [ORS]:** And that's in the upper  
13 left-hand corner, and it's No. 12 that has the  
14 revision, and it happens to be in the last  
15 sentence. The copy that we provided to you with  
16 our filing, the last sentence read, "If an  
17 overcharge or undercharge occurred as a result of a  
18 fast or slow meter with an error in registration of  
19 more than 2 percent, the bills will be increased or  
20 decreased accordingly for a period of 60 days."  
21 That's what we filed with you. What your  
22 Regulations say is "for a period up to six months."  
23 So it's important that we do make that change and  
24 we swap out that Natural Gas Bill of Rights for  
25 you. Everything else remains the same on it.

1           The other two documents that I handed up to  
2           you -- and I want to open it for questions, but we  
3           thought it might be helpful that, on the Bill of  
4           Rights for electric utilities and on the Bill of  
5           Rights for natural gas utilities, that we partner  
6           your Regulation with that Bill of Rights section.  
7           And so you can see in blue -- we'll look at either  
8           electric or natural gas -- after No. 1, you'll see  
9           a section in blue where it says "PSC Regulations."  
10          And it's real helpful to our Consumer Services  
11          representatives, and it might be to you as well, to  
12          be able to relate the Bill component -- which is  
13          the right to establish electric service or natural  
14          gas service -- back to your Regulation.

15           And so, with that, you know, I'll close. We  
16          find that the Bill of Rights is really an effective  
17          tool in educating the consumer on what protections  
18          are available to them, and we would very much like  
19          to have your approval on this Bill of Rights or to  
20          incorporate any changes that you're interested in  
21          making to it.

22           **CHAIRMAN HALL:** All right. Commissioners,  
23          questions? Commissioner Howard.

24           **COMMISSIONER HOWARD:** Ms. Hipp, one of my  
25          questions that you answered was the format --

1 because nobody's going to read -- I wouldn't read  
2 that [indicating]. So, I mean, I think if the type  
3 of print was larger, maybe, with some clipart or  
4 something, it would make it more readable.

5 What I did is looked through other states'  
6 Bill of Rights to see if there was anything they  
7 included that we didn't include. One of the things  
8 that I noticed -- and I understand it's in yours,  
9 but I just glanced down and didn't see it -- is  
10 avoiding cutoffs on weekends and holidays. Is that  
11 part of your Bill of Rights.

12 **DAWN HIPP [ORS]:** It is not part, explicitly,  
13 in the Bill of Rights, but it is referenced in the  
14 Regulations. And, April, feel free to answer, as  
15 well.

16 **APRIL SHARPE [ORS]:** I could point directly to  
17 the Regulation.

18 **COMMISSIONER HOWARD:** I'll take --

19 **CHAIRMAN HALL:** Ms. Sharpe, if you could --

20 **COMMISSIONER HOWARD:** -- your word on it.

21 **CHAIRMAN HALL:** -- turn your mic on, please?

22 **APRIL SHARPE [ORS]:** [Indicating.]

23 **CHAIRMAN HALL:** Okay, it's on.

24 **APRIL SHARPE [ORS]:** That is addressed in the  
25 Regulations under 103-352(g), but it's not stated

1 directly in the Customer Bill of Rights. If a  
2 customer had a question about that, we would be  
3 able to address it for them.

4 **COMMISSIONER HOWARD:** I -- that was a question  
5 in my mind, too. What's the difference between a  
6 statute and regulations? Some of these things deal  
7 in statutes and others deal in regulations. Are  
8 you dealing with just regulations, or are you  
9 dealing with everything that would --

10 **DAWN HIPP [ORS]:** Well --

11 **COMMISSIONER HOWARD:** -- protect the customer?

12 **DAWN HIPP [ORS]:** -- what -- right, and what  
13 we did was take a look at the Commission's approved  
14 Bill of Rights, and we didn't vary from the style.  
15 That seemed to be designated specifically around  
16 the Commission's Regulations in Subarticle 4. We  
17 did, however, notice that the Commission had  
18 included the third-party notification, which is a  
19 statute, and we have included that here.

20 **COMMISSIONER HOWARD:** Another question I had,  
21 one state -- I hate to say it, but Mississippi.  
22 But one state had at eight o'clock in the morning  
23 if the National Weather Service issues an extreme  
24 cold advisory or, vice versa, an extreme heat  
25 advisory, that the service couldn't be disconnected



1 Jersey and make a living.

2 **DAWN HIPP [ORS]:** Yeah. But we -- you know,  
3 we -- I have not heard that. April, maybe in your  
4 experience -- it's not, of course, in the  
5 Commission's Regulations, and I guess it would be  
6 to the regulatory, be required that staff charge.  
7 But we have no intention of doing that.

8 **COMMISSIONER HOWARD:** Okay.

9 **DAWN HIPP [ORS]:** Unless you'd like us to.  
10 And then I'm not going to say no to any money.

11 [Laughter]

12 **COMMISSIONER HOWARD:** No, I think you did a  
13 good job.

14 That's it; I have no other questions.

15 **CHAIRMAN HALL:** All right. Commissioners, any  
16 other questions?

17 [No response]

18 Okay. Ms. Hipp, I just have one question. Is  
19 this Bill of Rights linked on your -- on the ORS  
20 website?

21 **DAWN HIPP [ORS]:** The Commission's approved  
22 Bill of Rights from 1995 is what you will find  
23 summarized on our website.

24 **CHAIRMAN HALL:** Okay.

25 **DAWN HIPP [ORS]:** We have not implemented the

1 new one, because we felt -- and the utilities felt  
2 -- it was important to have Commission approval  
3 first.

4 **CHAIRMAN HALL:** Okay. So once it's approved,  
5 though, will you have it? Will you have --

6 **DAWN HIPPI [ORS]:** Yes, ma'am.

7 **CHAIRMAN HALL:** -- that? And will you include  
8 these hyperlinks to our Regulations.

9 **DAWN HIPPI [ORS]:** We certainly can do that, if  
10 that's something that the Commission would like.

11 **CHAIRMAN HALL:** Okay. I think it just might  
12 be easy for customers to access, if they so choose.

13 **DAWN HIPPI [ORS]:** All right.

14 **CHAIRMAN HALL:** All right. I don't think  
15 anyone else -- Commissioner Howard, do you have  
16 another question, or are you just --

17 **MR. MELCHERS:** Just leaving your mic on again?

18 **COMMISSIONER HOWARD:** You want me to turn my  
19 mic off, before I say something [indicating]?

20 **CHAIRMAN HALL:** Okay. Commissioner Fleming.

21 **COMMISSIONER HOWARD:** You feel comfortable  
22 now?

23 **COMMISSIONER FLEMING:** I just want to go back  
24 to what Commissioner Howard asked about. Is there  
25 a good reason not to include that, about the

1           holidays, or one of these links does directly take  
2           you to that issue?

3           **DAWN HIPP [ORS]:** One of the links will take  
4           you to the Regulation that spells out in more  
5           detail the times that disconnection may or may not  
6           occur for a consumer. So, if the Commission would  
7           like us to roll that in, we certainly can. We  
8           tried to stay as close to what had been approved in  
9           the past and not vary, you know, too, too much from  
10          that. Commissioner Howard hit on it; we find that  
11          consumers -- even though this [indicating] is an  
12          abbreviated version, people potentially won't read  
13          all of that, so we did develop, you know, a handy  
14          one-sheet card that gives you the basics. But it  
15          is whatever the Commission would like us to do on  
16          that.

17          **COMMISSIONER FLEMING:** It just seems like -- I  
18          mean, I can't imagine -- except they will go --  
19          they'll click on the links, if the links are there.  
20          But it just seemed like it would be -- if the  
21          problem arises -- it would be good information for  
22          the consumer to have.

23          **DAWN HIPP [ORS]:** Yes.

24          **COMMISSIONER FLEMING:** In the Bill of Rights.

25          **DAWN HIPP [ORS]:** Okay.

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**CHAIRMAN HALL:** Okay. Anything further?

[No response]

All right. This hearing is adjourned. Thank you so much, Ms. Hipp, Ms. Sharpe.

And thank you to our independent attorney, Mr. Reagel. We always appreciate you.

[WHEREUPON, at 2:40 p.m., the proceedings in the above-entitled matter were adjourned.]

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C E R T I F I C A T E

I, Jo Elizabeth M. Wheat, CVR-CM-GNSC, do hereby certify that the foregoing is, to the best of my skill and ability, a true and correct transcript of all the proceedings had in an Allowable Ex Parte Proceeding held before THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA in Columbia, South Carolina, according to my verbatim record of same.

Given under my hand this 2<sup>nd</sup> day of April,  
2015.



Jo Elizabeth M. Wheat, CVR-CM/M-GNSC  
Court Reporter