



Office of the Ohio Consumers' Counsel

YOUR RESIDENTIAL UTILITY CONSUMER ADVOCATE



ANNUAL REPORT 2019

Office of the Ohio Consumers' Counsel • 2019 Highlights

- ▶ The Office of the Ohio Consumers' Counsel ("OCC") testified 18 times before the Ohio General Assembly, seven of those times were with regard to House Bill 6 involving power plant subsidies. OCC's advocacy included testifying jointly with low-income groups in support of legislation to protect consumers from submetering (reselling) of utility services (Senate Bill 86).
- ▶ OCC's legal and analytical staff participated in more than 100 cases before the Public Utilities Commission of Ohio (PUCO), Federal Energy Regulatory Commission (FERC), Bankruptcy Court and the Ohio Supreme Court, on behalf of Ohio residential utility consumers.
- ▶ In an appeal brought by OCC and others, the Ohio Supreme Court declared FirstEnergy's Distribution Modernization Rider to be unlawful, after consumers paid \$456 million. Following the Court's decision, the PUCO ordered DP&L to stop collecting a similar charge from customers after consumers paid \$219 million.
- ▶ OCC and others successfully sought consumer protection from AEP's attempt to make monopoly customers pay more than \$100 million to subsidize solar power plants, contrary to Ohio's 1999 power plant deregulation law.
- ▶ OCC continued to advocate for delivering to Ohio consumers the federal tax savings that utilities received from the federal Tax Cuts and Jobs Act of 2017. In 2019, federal tax savings were provided to consumers of DP&L, Duke Energy, FirstEnergy and Aqua Ohio.
- ▶ OCC and other parties appealed to the Sixth Circuit U.S. Court of Appeals a Bankruptcy Court decision that failed to consider the public interest when ruling on the bankruptcy of FirstEnergy Solutions. The Court of Appeals ruled that the public interest should have been considered by the Bankruptcy Court before it relieved FirstEnergy Solutions of its obligation to pay for two coal plants (potentially leaving millions of Ohio customers with the bill).
- ▶ OCC's Outreach & Education team made 558 educational and informational appearances in the state, including attendance at the Ohio State Fair, 32 county fairs, and the Farm Science Review, for sharing information with residential utility consumers.
- ▶ Outreach & Education team members partnered with state agencies and local governments throughout the year. The team participated in events during National Consumer Protection Week and at other special events, including those hosted by the Ohio Attorney General, Better Business Bureau of Cincinnati, U.S. Postal Inspection Service, Ohio Means Jobs of Lawrence County, and Cleveland City Council, among others.

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► **Mission**

OCC advocates for Ohio's residential utility consumers through representation and education in a variety of forums.

► **Vision**

Informed consumers able to choose among a variety of affordable, quality utility services with options to control and customize their utility usage.

► **Core Values**

Communications

We will share information and ideas to contribute to the making of optimal decisions by our colleagues and ourselves.

Excellence

We will produce work that is high quality and we will strive to continuously improve our services.

Integrity

We will conduct ourselves in a manner consistent with the highest ethical standards.

Justice

We will advocate for what is fair for Ohio's residential utility consumers.

Respect

We will treat each other, our partners and the public with consideration and appreciation.

A message from Michael Watkins

Governing Board Chair

The Governing Board of the Office of the Ohio Consumers' Counsel (OCC or Agency) appreciates this opportunity to present our 2019 Annual Report to the Ohio General Assembly. OCC continued more than four decades of advocacy for residential utility consumers, seeking consumer protection in legislation, regulatory proceedings, and state and federal court cases. The Agency also educated Ohio consumers online and through meetings with groups and organizations throughout the state.

This Annual Report includes a record of the work of the Agency on behalf of Ohio consumers in electric, natural gas, telephone and water utility proceedings. OCC was active in consumer protection in more than 100 cases at the PUCO regarding consumers' utility services. And the Report includes an outline of the Agency's other activities and its expenditures. For your convenience, I will note a few of the Agency's consumer protections as follows.



In 2019, OCC and others appealed the U.S. Bankruptcy Court's decision that allowed bankrupt FirstEnergy Solutions to abandon its obligation to pay its share of the costs of the OVEC coal plants. OCC appealed to protect Ohioans from subsidizing millions of dollars in coal plant costs that FirstEnergy Solutions was allowed to reject under its bankruptcy. In a decision that may have national significance on this type of issue, the U.S. Court of Appeals overturned the Bankruptcy Court's decision and required it to consider the public interest in further addressing this issue affecting Ohio consumers.

OCC also participated to protect Ohio consumers in four significant investigations that the PUCO opened regarding utility services. The PUCO investigated Frontier North for telephone service quality issues. And the PUCO investigated two energy marketers for deceptive marketing practices and unconscionably high rates, one against Verde Energy and two against PALMco Power.

OCC continued its consumer advocacy regarding various proposals by electric, natural gas and water utilities to charge consumers for significant replacements of infrastructure (such as transmission lines, pipelines and metering systems). These charges should be contingent upon meeting ratemaking standards of usefulness to consumers and audits for prudence, among other consumer protections.

This year the OCC Board adopted three resolutions calling for consumer protection. The Board approved two resolutions in support of competitive markets for power plants, consistent with the Ohio General Assembly's 1999 vision for an energy future based on competition without consumers paying subsidies to utility monopolies or others. In addition, the Board approved a resolution asking legislators to protect consumers by requiring refunds when utility charges are found by the Supreme Court to be improper. This resolution followed an Ohio Supreme Court decision (in appeals by OCC and others) that overturned a PUCO order allowing FirstEnergy to charge \$456 million to consumers for a so-called "distribution modernization rider." Despite the good result that the charge was improper, the Court unfortunately ruled that FirstEnergy gets to keep consumers' money because of a legal loophole dating back to the 1950's that prohibits refunds. The PUCO denied an OCC/OMA request to make the FirstEnergy charges subject to refund to consumers. The PUCO, the legislature or the Court should act to ensure customers get their money back after improper charges are collected from them on their utility bills.

A message from Michael Watkins Governing Board Chair

That FirstEnergy case is just one among other instances over the years where Ohioans have subsidized their electric utilities, despite what is supposed to be a competitive market. This Annual Report includes OCC's "subsidy scorecard," showing the billions of dollars in subsidies that Ohioans have unfortunately paid above market prices for electric service in the last two decades.

OCC continues to advocate for competitive markets without customers paying subsidies. Competitive markets foster greater innovation and lower prices for Ohio consumers, consistent with the vision of Ohio's 1999 electric deregulation law. Following the passage of House Bill 6, customers will pay millions of dollars in subsidies for nuclear and coal-fired power plants (one of which is in Indiana).

The Consumers' Counsel Board thanks the Attorney General and his staff for their services and support to the Board and Agency. We appreciate that the Attorney General visited with the Board at our March public meeting.

We also thank Ohio Representative Nino Vitale for a good dialogue during his visit to the Board in November of 2019. We look forward to working with him on future legislation.

The OCC Governing Board and I commend the dedicated public service of our appointees, Consumers' Counsel Bruce Weston and Deputy Consumers' Counsel Larry Sauer, and their hardworking staff. I thank Consumers' Counsel Weston for his leadership of OCC, for giving Ohioans' a consumer voice among the many utility voices in the government processes affecting their utility services, and for applying his 40 years of utility-law experience and his sensitivity to consumer interests to protect millions of Ohio consumers. OCC has been a consistent voice for consumer protection, advocating for fairness and for the competitive markets that, where effective, deliver lower prices and greater innovation to Ohioans. The Board also thanks the members of the Ohio General Assembly for their consideration of OCC's proposals.



Representative Vitale met with the OCC Governing Board, November 2019. Seated at the table from right to left: Consumers' Counsel Bruce Weston, Governing Board Chair Michael Watkins, Representative Nino Vitale, Deputy Consumers' Counsel Larry Sauer.

A message from Michael Watkins

Governing Board Chair

The Governing Board members, Vice-Chair Stuart Young and I have been honored to be part of the Agency's tradition of public service to Ohio consumers. I thank the departing Board members with expiring terms in 2019 for their service, Butch Taylor, Fred Cooke, and Beverlyn Johns. And I thank Doug Moorman, who served until last year. The Board looks forward to OCC's continued work with legislators, other public officials, and stakeholders for the benefit of millions of Ohio families in 2020.

Under the 1982 law for nominations of PUCO commissioners, the Governing Board is represented on the PUCO Nominating Council. The Council has an important task each year when candidates apply for a commissioner position. We do feel, however, that it is time to reform the system by which the PUCO commissioners are selected. The PUCO has become top-heavy with individuals who have either been employed by or have represented entities that are regulated by the PUCO. It is the hope of the OCC Governing Board that changes can be made to reform the 1982 law, to ensure that Ohio's consumers are fairly represented on the PUCO.

While this is the Agency's Annual Report for 2019, on behalf of the Governing Board, OCC Staff and the consumers we represent, I want to now thank Governor DeWine and his entire cabinet for their leadership in addressing the COVID-19 pandemic in 2020 (when this Report is being submitted). The Governing Board also commends Attorney General Yost and his staff for standing up for Ohio's consumers against those who have sought to profit unfairly during this crisis.



A message from Bruce Weston *Ohio Consumers' Counsel*

It has been a great honor to serve you since 2012 as the Agency's fourth Consumers' Counsel. I see my predecessors' photos on the office wall each day and am reminded of the history of this Agency since 1976, the many people who staffed the Agency from then to today, and its many partners in consumer advocacy over the years. I am grateful for and inspired by this job to give millions of Ohio consumers a voice among the powerful corporate interests – and undue influence – of public utilities. At OCC we put *Consumers First*.



That said, challenges certainly remain for consumers. A fundamental place to start with legislative reform is with the PUCO Nominating Council that recommends candidates to governors for appointments of the five PUCO commissioners. In 2019, three of five PUCO commissioners (a majority) have careers that include at least some work for public utilities. Former utility representatives should not be regulating utilities in the Ohio public's state government. People with public interest backgrounds should be among those regulating public utilities. Unfortunately, the 1982 law that controls the commissioner nomination process is not welcoming enough to potential candidates with social services and other public interest backgrounds. That should change, with a reform of the 1982 law. (The 1982 law was itself alleged to be reform at a time when a referendum was on the ballot to elect PUCO commissioners.) Indeed, in a Resolution dated November 17, 1982, the Consumers' Counsel Governing Board resolved that the Nominating Council should "publicly interview individuals possessing qualifications outlined..." in the new law and possessing additional qualities including but not limited to "[a] sensitivity to consumer interests..." It's time to make that consumer sensitivity, that transparency of commissioner candidate interviews, and other legislative reforms happen.

Another thing that should change is the system, resulting from the PUCO, Supreme Court and legislature, that has denied refunds to consumers when the Ohio Supreme Court overturns a PUCO rate order. Just since the 2008 energy law (that favors utilities and encourages too many add-on charges to consumers), Ohio electric consumers have been denied more than a billion dollars in refunds. Former Supreme Court Justice Paul Pfeiffer wrote, in a 2014 Court dissent, that denying refunds to consumers is "unconscionable" and that "It boggles the mind that this court would ever countenance such a proposition..." In *re Columbus S. Power Co.*, 138 Ohio St.3d 448, 2014-Ohio-462, ¶¶ 61-67. If consumers think the system is rigged against them, that thinking would be understandable.

Ohio's 1999 electric deregulation bill, which enabled competitive power plant markets instead of power plant monopolies, can fulfill the promise of lower prices and greater innovation for Ohio consumers. But the much-debated H.B. 6 resulted in consumer funding of subsidies for nuclear power plants and for a couple of coal power plants (that consumers were already subsidizing by order of the PUCO), among other things. The law also eliminated programs (and related charges) for energy efficiency and renewable energy. The vision of the 1999 law for competitive power plant markets, instead of subsidies to industry at Ohioans' expense, should be Ohio's guiding light for electric policy. And that guidance includes allowing for competitors (not electric monopolies) to bring new services to consumers on their side of the electric meter, which is at issue in House Bill 247.

A message from Bruce Weston Ohio Consumers' Counsel

I have had good, constructive meetings with Representative Nino Vitale about House Bill 246 that he is sponsoring, regarding reforms and modernization for the PUCO and OCC. And I have offered him suggestions for reforms to improve consumer protection. The OCC Board and I much appreciated that Representative Vitale kindly visited at the Board's November public meeting.

The year 2019 also saw PUCO investigations into a small segment of energy marketers engaged in charging consumers unconscionably high rates and/or deceiving consumers. There should be legislative reform to ensure the PUCO has greater authority to protect consumers of marketers from unconscionably high energy prices and to require the banishment of marketers, from our state, whose business practices are based on ripping off Ohioans. Further, legislative reform should include prohibiting utilities from giving energy marketers access to lists of Ohio consumers' personal contact information unless consumers give their consent to utilities for the disclosure.

The PUCO Staff and Dominion Energy worked cooperatively with OCC in response to an OCC initiative to end a natural gas program that was causing problems for consumers. A segment of marketers was charging consumers unconscionably high rates for gas in the program. We three organizations and others signed a settlement that ended the bad program for residential consumers and small businesses, which the PUCO commissioners later adopted. Much appreciation goes to all of them.

Recognition goes to our advocacy partner, the Northeast Ohio Public Energy Council ("NOPEC"). Our work together includes protecting consumers regarding door-to-door energy sales, where NOPEC has a program to "block the knock." And recognition goes to the Ohio Manufacturers' Association ("OMA") that has been a steadfast partner in our joint efforts to promote serving consumers through competitive markets for power plants instead of with monopolies and subsidies.

I thank the Consumers' Counsel Governing Board and its leadership, Chair Mike Watkins (nine years of service) and Vice-Chair Stuart Young (seven years of service), for their public service and guidance to me in what are essentially volunteer positions. The Board members are part of a long and commendable tradition of volunteerism on the Board for the benefit of their fellow Ohioans. In particular, outgoing Board members Butch Taylor and Fred Cooke each served the public with distinction for six years on the Board. I also thank the Office of the Attorney General for the Board appointments and services it provides to the agency. Our staff is to be commended for their strong efforts to protect Ohio residential consumers. And the Board, the Agency, consumers, and I are fortunate to have a dedicated hardworking consumer advocate and friend in Deputy Consumers' Counsel Larry Sauer. Thanks Larry.

Finally, I will step out of 2019 into 2020 when this annual report is being submitted. I express my appreciation to Ohio Governor Mike DeWine for his leadership and concern for Ohioans when those qualities are so greatly needed during the current coronavirus pandemic. I thank the PUCO for its actions to protect Ohioans during the health emergency and thank the utilities that have suspended disconnections of consumers. The public here and across the country, our leaders, the OCC Board and staff, the PUCO, the legislature, and stakeholders are in my thoughts and prayers during this health crisis.

Governing Board

About the Governing Board

By law, the Ohio Attorney General appoints members to the Consumers' Counsel Governing Board. The Board consists of nine members, with three members appointed for each of three organized groups: residential consumers; labor; and family farmers. No more than five members of the Board may be from the same political party. Board members are confirmed by the Ohio Senate and serve three-year terms. The Board is responsible for appointing the Consumers' Counsel (the Agency's director) and the Deputy Consumers' Counsel.



Michael A. Watkins

Chair, 2017 – present
Vice-Chair, 2015 – 2017
Board member, 2010 – 2020
Representing organized labor
Hometown: Elida

Michael Watkins has served as a member of the Fraternal Order of Police (“FOP”), Lima Lodge No. 21 since 1976 when he began his career as a police officer in Lima, Ohio. He retired as an active law enforcement officer in 1999. He served six terms as president of FOP Lima Lodge No. 21 and currently serves as the recording secretary. Since 2003 he has been employed by the FOP, Ohio Labor Council Inc. in Columbus, Ohio as an Administrative Assistant. Mr. Watkins was trustee of the FOP's 6th district from 1993-1995 and has served in that position again since 2007.



Stuart Young

Vice-Chair, 2017 – present
Board member, 2012 – 2021
Representing family farmers
Hometown: Springfield

Stuart Young is a third-generation dairy farmer in his hometown of Yellow Springs, Ohio. He is an owner and manager of Young's Jersey Dairy Inc. in Yellow Springs, where he is responsible for managing the farm operation, Jersey herd and cheese production. He has also served on the Huestead Volunteer Fire Department for 39 years. He previously served the Clark County Farm Bureau on the Board of Directors and as President. He has served on the Ohio Farm Bureau's State Policy Development committee as a delegate. He is a lifelong member of the American Jersey Cattle Association and the Ohio Cattlemen's Association.



Timothy Callion

Board member, 2019 – 2022
Representing organized labor
Hometown: Warren

Timothy Callion is currently serving his second term as Business Manager for Plumbers & Pipefitters Local #396. During his 30 years of employment with the union, Mr. Callion has served as Vice-President, Executive Board member, Health and Welfare Trustee member, Negotiation Committee member, and State and National Convention Delegate. In addition to his role with Plumbers & Pipefitters Local #396, he has served on economic development committees. Mr. Callion is a life-long resident of Warren and enjoys exploring new opportunities and projects to introduce middle and high school students to careers in the building and construction skill trades.



Cheryl Grossman

Board member, 2019 – 2020
Representing residential consumers
Hometown: Grove City

Cheryl Grossman is the Executive Director of the Ohio Board of Embalmers and Funeral Directors. She is a former State Representative (23rd House District) and Mayor of Grove City. She was a member of the General Assembly from 2009-2017, where she served as Assistant Minority Whip, Assistant Majority Whip and Majority Whip. She has received more than 30 legislator awards, including the 2016 National Autism Speaks Legislator of the Year. Ms. Grossman chaired the Transportation Subcommittee, Gas Tax Task Force and the Ohio Housing Study Committee, as well as served on several additional committees. She is a founding member of the Grove City Rotary Club and serves on the YMCA Metropolitan Board, the BIA Foundation Board, Ohio Access to Justice Board and the Overwatch Partnership Board. She is a life-long resident of Grove City.

Governing Board



Kelly C. Moore
Board member, 2015 – 2021
Representing residential consumers
Hometown: Newark

Kelly Moore is the corporate Vice President of GKM Auto Parts, Inc., an independent jobber of NAPA Auto Parts. A member of the National Federation of Independent Business/ Ohio, Mrs. Moore serves as a member of the group's Ohio Leadership Council. She serves on various committees, including the Workers Compensation committee and the legislative committee. She is the former Chair and Vice Chair of the Zanesville NFIB Area Action Council. In addition, Mrs. Moore is the Chairperson of the NFIB/OH PAC.



Charles Newman
Board member, 2019 – 2022
Representing family farmers
Hometown: Peebles

Charles Newman owns and operates a 700-acre beef cattle and grain farm in Adams County, Ohio. The family farm actively practices conservation and is GAP certified (good agricultural practices). He also has served as the Scott Township Fiscal Officer for the past 19 years and has been a member of the Adams Rural Electric Cooperative Board of Trustees for 14 years. He has received recognition for achieving a Director Gold Certificate, a Board Leadership Certificate and a Credentialed Cooperative Director Certificate from the NRECA. Additionally, Mr. Newman served for 10 years on the Board of Directors of the Adams County Regional Medical Center.



Jan Shannon
Board member, 2019 – 2022
Representing residential consumers
Hometown: Orient

Jan Shannon is the Executive Director of the Pickaway County Community Foundation, an organization led by a board of community leaders dedicated to strengthening the community through charitable giving. She is a farm owner and advocate for agriculture. Ms. Shannon serves as President of the Pickaway County Farm Bureau and assists in educating youth across Ohio about the importance of agriculture. In addition to those roles, Ms. Shannon also serves as Vice Chair on the Pickaway

County Chamber of Commerce Board and secretary of the Muhlenberg Board of Zoning Appeals. She is a graduate of the AgriPower VIII program with the Ohio Farm Bureau. She enjoys volunteering her time for a number of non-profits and promoting philanthropy.



Andra Troyer
Board member, 2017 – 2020
Representing family farmers
Hometown: London

Andra Troyer, along with her husband and her son Jared, manage RLT Farms, a 2,000-acre farm that specializes in growing corn and soybeans. For 12 years Ms. Troyer served as the Southwest Regional State Trustee for Ohio Farm Bureau, representing 20 counties regarding state and national issues that affect rural and urban America. As a trustee, she provided guidance on daily operations and budgets. Ms. Troyer served as a Board Member on the Ohio State University's C. William Swank Advisory Board, dealing with rural and urban interface issues. She also served in several advisory positions for Madison County, including Farm Bureau President, Chairman of the Madison County Soil and Water Conservation District, and Board Member for the Madison County Chamber of Commerce. Ms. Troyer also works for the National Agricultural Statistics Service. In addition, Ms. Troyer is a volunteer with Sufficient Grace Inc. a non-profit that helps feed children in seven school districts during the school year.



David J. Wondolowski
Board member, 2017 – 2021
Representing organized labor
Hometown: Broadview Heights

David J. Wondolowski is a labor leader who has served as Executive Secretary of The Cleveland Building and Construction Trades Council since 2013, which represents all of the building trades unions and over 12,000 highly skilled employees in northeast Ohio. Additionally, Mr. Wondolowski serves on the Cleveland/Cuyahoga County Port Authority and the Cuyahoga County Board of Elections. He is an Executive Board member for the North Shore AFL-CIO, and a member of the NOACA Business Advisory Committee. Mr. Wondolowski also holds membership with the Greater Cleveland Partnership (GCP). Formerly, Mr. Wondolowski served on Broadview Heights City Council from 2003-2007 and was a member of the Ohio Public Works Commission.

Former Governing Board Members



Fred Cooke

Board member, 2013 – 2019
Representing family farmers
Hometown: Shelby

Fred Cooke runs a 1,200-acre farm with his son, Charlie, in Shelby, Ohio. He worked for 30 years as an educator teaching agriculture at Greene County Vocational School, Willard High School and Shelby Senior High School, in addition to teaching various courses at Southern State College in Wilmington. In recognition of his commitment to education and preserving farm land, he was awarded the Outstanding Educator of the Year and the Outstanding Soil and Water Conservationist award by the Richland Soil and Water Conservation District. He is a 30-year member of the Richland County Farm Bureau.



Beverlyn E. Johns

Board member, 2018 – 2019
Representing residential consumers
Hometown: Reynoldsburg

Beverlyn E. Johns has served the public for over 20 years in Franklin County. Currently serving in the Franklin County Data Center, she is responsible for overseeing service management quality, organization performance measurement, and organizational communications. Ms. Johns is involved in her community through various board appointments. Most recently, she sits on the Ohio County/Cities Information Technology Board, Rebuild and Renew Board and the Court-Appointed Special Advocates Board. Ms. Johns has received honors such as being named Who's Who in Black Columbus and Biggest Supporter of Columbus Downtown High School.



J. Douglas Moormann

Board member, 2017 – 2020
(Resigned 2019)
Representing residential consumers
Hometown: Cincinnati

J. Douglas Moormann is the Vice President of Development Strategies Group, an economic development consulting firm that he launched in 2011. His firm focuses on advising both private development projects and local governments on economic development matters. Mr. Moormann has significant experience in legislative relations and state government. He served as the Vice President of Economic Development and the Vice President of Government Affairs during his nine-year tenure at the Cincinnati USA Regional Chamber from 2003-2011. Mr. Moormann has also spent time working in the Governor's office, the Office of Criminal Justice Services, and the Controlling Board, Office of Budget and Management. Mr. Moormann currently serves as Council member in the City of Madeira and is the immediate past Chair of the European American Chamber of Commerce of Greater Cincinnati, which he has served on since 2013. Other committees he has served on include: Agenda 360, Brent Spence Bridge Advisory Committee, Southwest Ohio Region Workforce Investment Board, and the Ohio Transportation Review Advisory Council.



Roland "Butch" Taylor

Board member, 2013 – 2019
Representing organized labor
Hometown: Stow

Roland "Butch" Taylor has served as a member of Plumbers and Pipefitters Local 396 since 1981 and as business manager since 2010. He previously served Local 396 for 24 years in officer positions including Union President, Executive Board Member and Business Agent. Mr. Taylor has been involved in Pathways to Building Trades, a grant that exposes students to careers as plumbers, electricians, carpenters and other skilled trades. Mr. Taylor also serves on the Boards of Leadership of the Mahoning Valley, Youngstown/Warren Regional Chamber and Chamber of Commerce. He was honored as the Regional Chamber's Labor Leader of the Year in 2012.

Senior Management



Bruce Weston **Ohio Consumers' Counsel**

Bruce Weston has served Ohioans as the Consumers' Counsel (agency director), by appointment of the Consumers' Counsel

Governing Board, since March 2012. Previously, he served as the Deputy Consumers' Counsel and directed the agency's Legal Department. His career spans more than 40 years in public utilities law, which provides experience that he draws upon in his public service to the agency and to Ohio residential consumers.

Bruce is committed to giving Ohioans a voice in their government's regulatory and legislative processes for regulation of essential utility services, among the powerful corporate interests and undue influence of public utilities. In general, he seeks affordable rates and reliable utility services for millions of Ohio consumers. His consumer protection priorities include: reforming the process for finding PUCO commissioner candidates so as to increase sensitivity to consumer issues and for more transparency; repealing or improving the ratemaking in Ohio's 2008 energy law that favors electric utilities over consumers; enabling competitive markets instead of monopolies for providing lower prices and greater innovation for consumers where competition can be effective – such as for power plants and for new electric grid services on the customer's side of the meter; changing the system that has denied refunds to consumers when the Supreme Court overturns a PUCO rate order; and protecting consumers from a smaller segment of energy marketers that has deceived them and/or charged them unconscionable rates.

Prior to joining the agency for a second time in October 2004, he was in private law practice where he served as legal counsel for clients in cases involving utility rates, service quality,

industry restructuring and competition.

Bruce received his bachelor's degree in business administration from the University of Cincinnati. He earned his law degree from The Ohio State University College of Law. He served the agency as a legal intern and then, upon graduation, began a 12-year tenure as an attorney for the agency. He served as the chair of the Public Utilities Law Committee of the Ohio State Bar Association for two years beginning in June 2010.



NASUCA

@nasucadc

National Association of State Utility
Consumer Advocates

40 years ago, NASUCA was created in Columbus, Ohio behind these doors. Bruce Weston, current Ohio Consumer Counsel (pictured) was a legal intern tasked by then Ohio Consumer Counsel, and first NASUCA President Bill Spratley with researching if we could use NASUCA as our name.



NASUCA took this photo of Bruce Weston in 2019 at an early office location and tweeted it with the message that is shown above.

Senior Management



Larry Sauer

Larry Sauer was appointed as the Deputy Consumers' Counsel by the Consumers' Counsel Governing Board in September 2014. As Deputy, he performs the duties of the Consumers' Counsel dur-

ing any times of the Consumers' Counsel's unavailability. Larry also serves as the Director of the Legal Department. He joined the Agency in March 2003 as an Assistant Consumers' Counsel. He has served as counsel in electric and natural gas cases, and he has advised the Agency on consumer issues involving the transition to competitive markets for utility services. Prior to joining the Agency, he worked for 24 years as an accountant, analyst, and attorney for American Electric Power.



Dan Shields

Dan Shields joined the Agency as Director of the Analytical Department in March 2014. He is responsible for administering the Agency's accounting, economic, and financial analyses associ-

ated with utility rate filings and other matters that affect Ohio's residential utility consumers. He provides advice and recommendations for the Ohio Consumers' Counsel's consumer advocacy on technical and policy issues related to regulation and legislation. Before joining the Agency, Dan served as the Federal Energy Advocate at the PUCO and was Director of the Office of the Federal Energy Advocate. He earlier served as a PUCO Senior Policy Specialist on state and federal energy and telecommunications issues.



Monica Hunyadi

Monica Hunyadi joined the Ohio Consumers' Counsel in September 2013. As the Chief of Staff – Non-Case Services, she provides assistance to the Consumers' Counsel on special projects affecting Ohio

consumers and the Agency. She leads the Agency's Operations and Public Affairs Departments toward meeting objectives for services within the Agency and for the public. She previously served as the Agency's Director of Operations from 1996-2005. She then accepted a position as the Director of Human Resources at the Supreme Court of Ohio. In addition to leading human resources, she also taught various human resource courses for the Ohio Judicial College and the Ohio Association of Court Administrators.

Legislative Summaries

In 2019, OCC advocated on behalf of consumers regarding various legislative issues. The 133rd Ohio General Assembly considered a number of bills involving electric, natural gas and telephone utility services – affecting Ohio consumers who depend upon those essential services. The Agency appreciated the opportunities to represent consumers before the Ohio General Assembly on utility issues affecting Ohioans.

Consumer issues included the bailout and subsidization of uneconomic power plants (nuclear and coal) in H.B. 6, paid by captive electric utility customers. That bill also eliminated renewable energy and energy efficiency programs and the associated charges that consumers paid for those programs.

Legislation also was introduced in the Senate to protect consumers from unfair practices related to the submetering (“reselling”) of utility services. Similar legislation was introduced in prior sessions, without passage. In addition, OCC testified on both House and Senate versions of a resolution to press the U.S. Congress into further action to protect consumers from unwanted robocalls.

OCC attended numerous meetings with legislators and policy staff. OCC provided resources and answers to members of the General Assembly on utility issues affecting residential consumers.

The discussion below describes some of the more significant legislative consumer issues that OCC addressed in 2019. A full listing of OCC’s legislative testimony is found on the OCC website at www.occ.ohio.gov/content/legislative-testimony.



Consumers’ Counsel Bruce Weston testifies in the Ohio Senate.

Legislative Summaries

Electric Policy

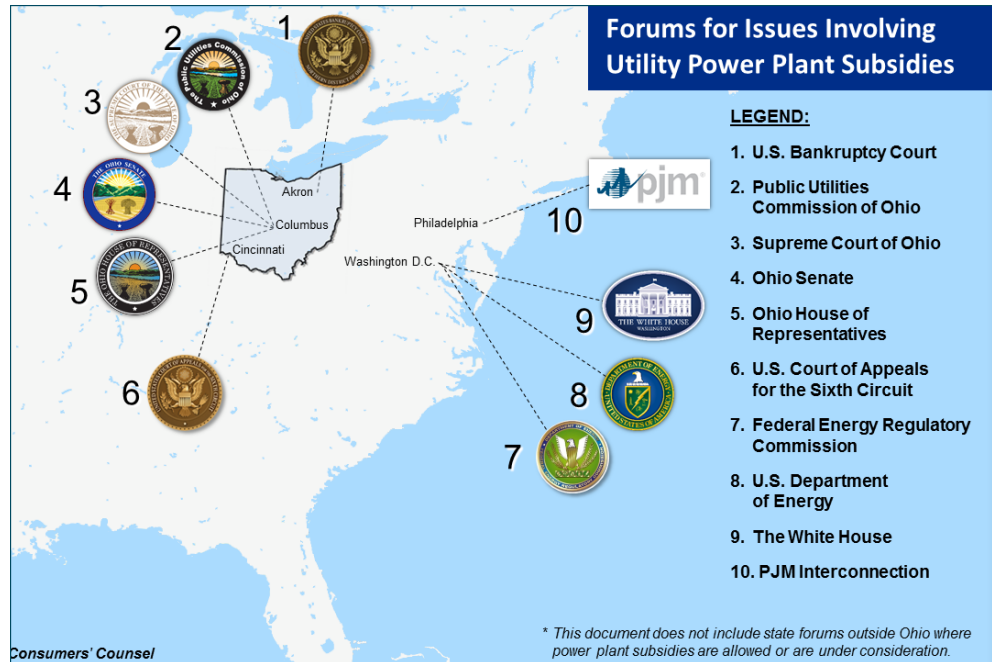
Subsidies for nuclear and coal power plants (House Bill 6)

In 2019, FirstEnergy and other regulated utilities supported legislation requiring customers to subsidize uneconomic nuclear and coal power plants (and limited renewable plants). The legislation, H.B. 6, was enacted and will result in Ohioans subsidizing the Davis-Besse and Perry nuclear power plants (formerly owned by FirstEnergy Solutions that emerged from bankruptcy under the new name of Energy Harbor). In addition, this legislation gives subsidies to utilities, at Ohioans' expense, to bail out their uneconomic 1950's coal power plants owned through Ohio Valley Electric Corporation ("OVEC"). Besides adding subsidies, the bill also eliminated Ohio's energy efficiency and renewable portfolio standards and the associated charges. H.B. 6 passed through both chambers and was signed into law by Governor DeWine.

OCC was among the stakeholders that opposed H.B. 6. OCC conveyed its consumer concerns through testimony and legislative meetings. OCC's opposition reflects OCC's anti-subsidy and pro-competitive markets positions.

Submetering legislation (Senate Bill 86)

Senate Bill 86 ("S.B. 86") was introduced to regulate companies that resell public utility service to residential consumers, a practice also known as submetering. Some consumers who reside in condominiums or apartment complexes (among other arrangements) are provided one or more of their utility services through submetering companies.



Submeterers are largely unregulated monopolies, whose consumers have fewer regulatory protections than consumers served directly by utilities. The PUCO has adopted some regulations to protect submetered consumers. But OCC had advocated for stronger regulations or to ban certain types of submetering. AEP, for example, wants submetering banned.

OCC and low-income advocates testified in support of the bill, with recommendations for improving it.

Competitive retail electric service legislation (House Bill 247)

House Bill 247 ("H.B. 247") was introduced as a means for economic development and grid modernization. Those goals can be good. But this legislation will take a step backwards from competitive markets that are good for electric consumers. And the legislation could allow utilities to extend their monopoly reach into customers' homes.

One problem with the bill is that it uses the problematic ratemaking structure of so-called electric security plans from the 2008 energy law. The 2008 law for electric security plans is unfair to consumers. (Am. Sub. S.B.

221 – 127th G.A.) OCC wants the legislature to repeal the 2008 energy law that enabled electric security plans. In the previous legislative session, OCC supported legislation sponsored by Rep. Romanchuk (H.B. 247, 132nd G.A.), to repeal the ratemaking in the 2008 energy law.

Additionally, the bill elevates monopolies over competitive markets for certain products and services. These products and services include those that are on the customer's side of the electric meter (in consumers' homes and businesses). Behind-the-meter offerings are not part of the utility monopoly but are open to competition for consumers. The bill would allow electric monopolies to encroach upon this non-utility space for competitive services, enabling charges to millions of monopoly customers. The better approach for bringing lower prices and greater innovation to Ohioans for these products and services is to further a competitive market.

OCC has appreciated meetings with the bill sponsor. And we look forward to helping improve the bill to better protect Ohio consumers and the competitive markets they rely on.

Telephone policy

Urging Congress to act on robocalls (Senate Concurrent Resolution 6 and House Concurrent Resolution 12)

In the past few years Ohioans have seen an incredible increase in the amount of spam and robocalls they receive. December of 2019 alone saw Ohio consumers receive 176,700,000 robocalls, according to RobocallIndex.com. (<https://robocallindex.com/ohio/2019/december?searchTerm=Ohio>)

The General Assembly has companion resolutions urging the U.S. Congress to grant additional authority

to the Federal Communications Commission ("FCC") to stop unwanted robocalls and "spoofing" of Caller ID information. In addition, the resolutions urge the FCC to educate the public on how to report illegal telephone calls. OCC has testified as a proponent for both resolutions and fully supports the General Assembly in its efforts to combat this epidemic. In written testimony, the Consumers' Counsel proposed a "one and done" approach, meaning zero tolerance for energy marketers who use spoofing technology to deceive customers.

Other policy

Modernize and reform OCC and PUCO (House Bill 246)

In May 2019, State Representative Nino Vitale introduced House Bill 246 ("H.B. 246"), to "reform and modernize" the Office of the Ohio Consumers' Counsel and the Public Utilities Commission of Ohio. The bill is a single sentence, without details. Consumers' Counsel Weston met a number of times with Representative Vitale, and has appreciated the constructive conversations.

OCC has asked for an outcome of the bill that includes consumer protections, and OCC has submitted proposals to the bill sponsor toward achieving that result. OCC does consider the bill a concern for what some stakeholders might want for limiting consumer advocacy. The OCC Board was pleased when Representative Vitale attended a Governing Board meeting, in November 2019, to discuss H.B. 246 among other consumer issues.

"Ever since the switch to power plant competition, influential utilities have whittled away at it for their own interest in higher profits instead of the public interest in lower electric rates."
~Bruce Weston



Issues for Electric Consumers



The Ohio Consumers' Counsel advocated for more than four million Ohio residential electric consumers in 2019. OCC made consumer recommendations for lower rates, reliable service, and market competition for power plants and smart grid services.

There were some familiar consumer issues in 2019. The Ohio General Assembly's 1999 vision for electric deregulation and power plant competition continued to be under duress from electric utilities seeking corporate welfare at Ohioans' expense.

Two decades after Ohio's deregulation law, electric utilities continued to seek subsidies from their captive monopoly consumers. OCC's "Subsidy Scorecard" (at the end of this Annual Report) displays a summary of the \$14.7 billion in above-market subsidies charged to Ohio consumers by their electric utilities since 2000.

What follows are summaries of some of OCC's activities on behalf of electric consumers, with a full listing at the back of this Annual Report.

"Utilities have too much influence in this state and that needs to be reformed."

~Bruce Weston

State cases affecting electric consumers

Consumers' Counsel seeks rate reduction for DP&L consumers after Ohio Supreme Court decision rejects FirstEnergy's similar "distribution modernization" charges

After the Ohio Supreme Court overturned a PUCO authorization of a so-called distribution modernization charge that FirstEnergy's two million consumers were made to pay, the PUCO made a good decision to end DP&L's similar distribution modernization charge. (The so-called distribution modernization charge was inaptly named, considering that the PUCO had not required FirstEnergy and DP&L to actually invest the money consumers paid in modernization of the distribution grid.) The PUCO's action to end DP&L's charge should have saved Dayton-area consumers about \$105 million per year. But DP&L withdrew its electric security plan (as the utility-friendly 2008 law allows) and implemented old 2009 PUCO-approved rates. This meant that consumers saw a smaller decrease in their monthly bill than they otherwise would have received. DP&L's legal

maneuver allowed it to preserve the subsidies it collects from customers, including a subsidy for a stability charge of approximately \$75 million per year.

The Consumers' Counsel acted to protect DP&L's customers by challenging the utility's withdrawal from its rate plan and its proposed tariffs. The PUCO upheld DP&L's withdrawal. Rehearing on the PUCO's holding remains pending. Note that in the preceding legislative session, the Consumers' Counsel was a proponent of Representative Romanchuk's bill (H.B. 247, 132nd G.A.) to repeal the allowance of electric security plans in the 2008 law.

PUCO Case Nos. 16-395-EL-SSO; 08-1094-EL-SSO

Tax Cuts and Jobs Act provides benefits to consumers – Enables FirstEnergy grid modernization

As all utilities were required to do by the PUCO, FirstEnergy filed a case to provide to consumers the benefits of the reduced corporate income taxes from the Tax Cuts and Jobs Act of 2017. It was estimated that FirstEnergy's customers would see an \$800 million benefit in refunds and lower future charges due to the tax

Issues for Electric Consumers

cuts. At the same time, FirstEnergy sought to increase customer bills by \$516 million for grid modernization.

In December 2018, a settlement was signed by FirstEnergy, PUCO Staff, and other parties. OCC, the Northeast Ohio Public Energy Council, and some other parties to these cases opposed the settlement because it lacked adequate benefits for residential consumers.

Additional settlement discussions were held with all parties. In February 2019, OCC, the Northeast Ohio Public Energy Council, and others signed a supplemental settlement that provided over \$125 million in additional tax related refunds to the 1.9 million residential utility consumers of FirstEnergy. As a condition for receiving the additional tax refunds and improved terms for a future audit of the grid charges (and other consumer benefits), OCC agreed not to oppose FirstEnergy's implementation of the first phase of its grid modernization.

On July 17, 2019, the PUCO approved the settlement as supplemented by the additional consumer provisions advocated by OCC and others.

PUCO Case Nos. 16-481-EL-UNC; 17-2436-EL-UNC; 18-1604-EL-UNC; 18-1656-EL-ATA

Consumers' Counsel advocates for consumer protection in PUCO case involving the H.B. 6 subsidies for coal and nuclear power plants

The Consumers' Counsel advocates for competitive power plant markets, to give Ohio electric consumers the benefits of lower prices and greater innovation, without paying subsidies to electric utility monopolies. H.B. 6 requires four million electric utility consumers to subsidize two ancient coal plants (owned by AEP, DP&L, Duke and others) and FirstEnergy Solutions' nuclear plants (which are being spun off from FirstEnergy

after the bankruptcy of FirstEnergy Solutions). One of coal plants is not even in Ohio.

In 2020, residential customers of Ohio's electric distribution utilities will begin to pay nearly \$32 million in H.B. 6 subsidies: \$11.3 million for FirstEnergy residential customers, \$9.2 million for Duke residential customers, \$8.4 million for AEP residential customers, and \$2.8 million for DP&L residential customers.

“Dayton-area utility consumers would not be mistaken if they think the system is rigged against them. Even when utility consumers win at the Supreme Court or the PUCO, they can lose.”

~Bruce Weston

In another case at the PUCO to implement H.B. 6, OCC focused on protecting residential customers from paying more than their fair share of H.B. 6 subsidies. The PUCO established a rate formula that equitably divided the burden of the subsidies between residential and non-residential consumers. Some nonresidential customers, however, challenged that PUCO ruling. They sought to reduce their H.B. 6 payments, which could potentially lead to greater charges for residential customers in the future.

OCC opposed their request, and in early 2020, the non-residential request was denied.

OCC will continue to advocate for residential consumers on issues related to H.B. 6, to keep charges to consumers as low as possible under the new law.

PUCO Case Nos. 19-2135-EL-ATA, 19-2133-EL-ATA; 19-2123-EL-ATA, 19-2121-EL-ATA, 19-1808-EL-UNC

OCC continues consumer protection efforts against utilities profiting from energy efficiency programs at consumer expense

For the past decade, Ohio's electric utilities have offered energy efficiency programs to customers, as required by law. The consumers who participated in the programs have saved money on their monthly electric bills. But all consumers have paid for the costs of the programs—more than \$1 billion to date. In addition to the expenses

Issues for Electric Consumers

for the programs that utilities have collected from consumers, utilities have also been profiting from these programs at the expense of consumers. Consumers pay up to \$50 million per year in so-called “shared savings” to their utilities, which is a code name for utility profits.

OCC has supported reasonably priced energy-efficiency programs but opposed excessive charges for utility profits on the programs. OCC also encourages customers to rely on the competitive market by shopping online and at stores for unsubsidized energy efficient products like LED bulbs, appliances, and smart thermostats.

Under recently passed legislation (“H.B. 6”), electric utilities will no longer be required to offer these programs after 2020. Consistent with the new law, OCC recommended various consumer protections.

Most notably, OCC asked the PUCO to end charges to consumers for utility profits on the programs. OCC also advocated for a continuation of energy efficiency programs after 2020, especially to help Ohio’s most vulnerable low-income customers, with reasonable annual budgets. Unfortunately, the PUCO did not eliminate utility profits for programs in 2020, but OCC will continue to recommend elimination of these unfair charges in 2021 and beyond.

PUCO Case Nos. 16-574-EL-POR; 16-576-EL-POR; 16-743-EL-POR; 17-1398-EL-POR

OCC advocacy helps shut the door on so-called distribution modernization riders

FirstEnergy sought a two-year extension of its inaptly named Distribution Modernization Rider. There was some public relations in the name of this charge, given that the PUCO did not require FirstEnergy to spend even a penny of the charge on distribution modernization.

Dayton Power & Light Company also sought to extend and nearly double its charges to customers for its similar Distribution Modernization Rider. The PUCO’s authorization of the charge was allowing DP&L to collect about \$4.25 million per month from its 465,000 residential customers.

In response to appeals by OCC and others, the Supreme Court of Ohio in mid-2019 held that FirstEnergy’s Distribution Modernization Rider charge was unlawful. Soon after this decision, the nearly identical DP&L Distribution Modernization Rider was ended by the PUCO.

At the time the Court ruled, the requests for two-year extensions of the FirstEnergy and DP&L Distribution Modernization Riders were still pending with the PUCO. The PUCO denied FirstEnergy’s Application to extend their unlawful charges. The denial of FirstEnergy’s request to extend its distribution modernization charge saved consumers \$336 million. Unfortunately for DP&L’s customers, any benefit from ending the distribution modernization charge was diminished by DP&L’s legal maneuver of withdrawing from its electric security plan. (See discussion above in this Annual Report.)

PUCO Case Nos: 19-361-EL-RDR; 19-162-EL-RDR

Consumers’ Counsel protects customers from paying subsidies for utility-developed renewable generation

At year-end 2018, AEP asked the PUCO for permission to charge its customers for developing 900 megawatts of renewable energy power plants. Part of AEP’s plan was for its captive monopoly customers to pay \$100 million to it for a so-called “debt equivalency charge.”

Renewable energy is a good thing. But AEP’s proposal to re-monopolize power plants in Ohio is an illegal thing. Under Ohio law, all types of power plants, including wind and solar plants, are to be developed in the competitive market. The Ohio legislature prohibited the PUCO from allowing utilities to charge customers to subsidize power plants, except if Ohio customers “need” the power.

OCC and others asked the PUCO to comply with Ohio law. In Ohio there is no need for the power. The multi-state PJM region, which Ohio is part of, has a sufficient

Issues for Electric Consumers

“reserve margin” that allows for extra generation to be made available to serve Ohio utility customers (if needed). OCC advocated that it would be unlawful for the PUCO to approve AEP’s request to build power plants under regulation instead of in the competitive market for serving consumers.

In November 2019, the PUCO rejected AEP’s bid to make its million customers subsidize solar power plants, which would have been on top of the coal plant subsidies AEP consumers are already paying. The PUCO agreed with OCC and others that AEP had failed to show the plants were needed to serve AEP’s customers.

Following the PUCO’s decision, AEP filed for a different arrangement (a so-called “reasonable arrangement”) as another means for charging captive customers for the solar plants. AEP stated that it would pursue bilateral contracts with non-residential customers for the purchase of solar power, with captive customers underwriting the arrangements. But in a competitive market, such risks should be assumed by investors and not by a monopoly’s captive customers. OCC asked that AEP’s proposal be fully evaluated. The PUCO agreed. The case was pending at year end.

PUCO Case Nos.: 18-1393-EL-ATA; 18-1392-EL-RDR; 18-501-EL-FOR; 19-2037-EL-AEC

Tax Cuts and Jobs Act provides benefits to Dayton Power and Light consumers

Dayton Power and Light (“DP&L”) filed an application to provide to customers the benefits of the reduction in the federal corporate income tax rates DP&L owes as a result of the Tax Cuts and Jobs Act of 2017. After extensive discussions, a settlement that benefits the 519,000 customers of DP&L was reached by OCC, DP&L, PUCO Staff, and others. As a result of the efforts of OCC and others, the residential consumers of DP&L will receive a credit on their monthly bills over a period of years. The total credit to all customers is over \$82 million with residential consumers receiving the highest portion of the bill credits.

The PUCO approved the settlement in September 2019, with the reductions to residential consumers’ bills beginning in October 2019.

PUCO Case Nos. 19-568-EL-ATA; 19-572-EL-UNC

Consumers’ Counsel and others seek dismissal of the proposed DP&L distribution modernization plan

DP&L filed an application seeking approval of a Distribution Modernization Plan (“Plan”) and authority to spend \$573 million in capital and \$69 million in operations and maintenance expenses to “modernize” its electric grid. The Plan includes extensive spending for smart meters, replacement of a customer information system, upgrades in distribution infrastructure, and installation of additional automation on the distribution grid. OCC has questioned the cost effectiveness of the Plan and the reasonableness of imposing significant additional charges on DP&L’s consumers, without guaranteed benefits.

DP&L’s Plan was filed as a condition in a Settlement that was reached between DP&L and other parties in its third electric security plan. DP&L has since withdrawn from its third electric security plan after the PUCO stopped collection of its distribution modernization rider from consumers.

OCC has joined others in asking for DP&L’s application to be dismissed. DP&L’s application fails to provide the basic information that the PUCO has determined is needed for evaluating grid modernization applications. Further, the application has no protections against DP&L collecting the same charges from customers through multiple riders.

The PUCO has not yet ruled on the requests for DP&L’s application to be dismissed.

PUCO Case Nos. 18-1877-EL-AAM; 18-1876-EL-WVR; 18-1875-EL-GRD



Issues for Electric Consumers

State cases concerning consumer complaints against energy marketers

OCC acts to protect consumers from deceptive marketing practices by energy marketers

Verde Energy consumers

The PUCO opened an investigation of Verde, a marketer of natural gas and electricity, after receiving 481 customer contacts and complaints. The PUCO Staff found that Verde engaged in unfair, misleading, deceptive and unconscionable marketing practices against Ohioans. Among the most egregious of Verde's marketing practices was the spoofing of Ohio customers. In spoofing customers, Verde used false Caller ID information during telemarketing to make customers believe the sales calls were from someone other than Verde (such as the local utility or the Internal Revenue Service).

The PUCO Staff reached a settlement that would allow Verde to continue serving its existing customers and resume marketing to new customers beginning in November 2020. The Consumers' Counsel opposed the settlement and recommended that the PUCO ban Verde from serving Ohio customers. But the PUCO approved its staff's settlement without seeing Verde's plan to modify its business practices and did not require Verde to refund overcharges to the natural gas customers it harmed. (The PUCO stated in its ruling that Verde voluntarily made credits to some natural gas customers.)

In a separate case, Verde sought to renew its PUCO operating certificate to serve Ohio customers and to expand its service to more Ohioans. In this case, OCC is opposing any allowance for Verde to operate in Ohio. This case remains pending.

PALMco Power consumers

The PUCO Staff conducted two investigations into PALMco, a marketer of natural gas and electricity to

Ohioans. The first investigation was initiated after the PUCO Staff received 486 customer contacts and complaints regarding PALMco. The PUCO Staff found, in a filed Staff Report, that PALMco engaged in unfair, misleading, deceptive and unconscionable marketing practices against Ohioans. The PUCO Staff and PALMco

reached a settlement that prohibits PALMco from serving customers in Ohio for five years. OCC opposed the settlement because it did not provide sufficient consumer protections. The PUCO adopted the settlement without modification.

Even while the first investigation was being litigated, PALMco continued to harm customers by charging them what the PUCO Staff characterized as "unconscionable" rates. In December 2019, the PUCO Staff requested the opening of a second investigation into

PALMco after receiving an additional 51 customer contacts and complaints. The PUCO Staff recommended that PALMco be required to pay a forfeiture of more than \$10 million. This second investigation remains pending.

PUCO Case Nos. 19-958-GE-COI; 19-957-GE-COI; 19-2153-GE-COI

FERC cases affecting electric consumers

Consumers' Counsel continues to advocate for competition in PJM's wholesale electricity markets

The Consumers' Counsel recommended to the Federal Energy Regulatory Commission that it prohibit subsidized power plants from distorting wholesale electricity markets and increasing the rates consumers pay for electricity. Power plant subsidies interfere with the competitive electricity markets that consumers rely on to deliver lower prices and greater innovation for electric generation.

*"Verde Energy is a rip-off artist that profits from exploiting Ohio natural gas customers through its misleading and deceptive marketing practices."
~Bruce Weston*

Issues for Electric Consumers

In December 2019, FERC issued a decision intended to prevent subsidized power plants from distorting wholesale electricity markets. Unfortunately for Ohio consumers, FERC's decision did not completely prohibit subsidized power plants from participating in wholesale electricity markets. PJM's implementation of FERC's decision could ultimately result in much higher prices for both wholesale and retail electricity for Ohio consumers. This case remains pending.

FERC Docket Nos. EL16-49; EL18-178

FERC investigates transmission-expansion incentives charged to customers

OCC recommended that FERC should eliminate transmission incentives (higher charges) for transmission projects that would be built even without those incentives. (Transmission systems are the big wires and towers that carry electricity from power plants to the local utilities' distribution grids.) Electric consumers should not be required to continue paying incentives for transmission projects that are either already required to be built or economically feasible to build without an incentive.

Additionally, FERC should not require consumers to pay higher rates (with higher profits earned on each project) to encourage utility membership in a regional transmission organization such as PJM. Such a membership is required anyway by Ohio law. This case remains pending.

FERC Docket No. PL19-3-000

OCC comments in FERC investigation on Independent Market Monitor's authority to file complaints to protect markets for consumers

OCC filed comments supporting the right of the Independent Market Monitor to file complaints, particularly in instances where the Market Monitor finds abuse of market power. The Market Monitor is like a watchdog over the actions of the regional authorities

like PJM that oversee the building of transmission projects and the competitive markets for power plants, both of which result in charges to consumers. A strong, independent market monitor is important for consumer protection. FERC issued an Order, finding on April 29, 2019, that PJM's Independent Market Monitor may file complaints at FERC against PJM. The Market Monitor for PJM, Dr. Joseph Bowring, spoke to the OCC Board by telephone at its January, 2020 meeting.

In affirming the Market Monitor's authority to file complaints, FERC noted OCC's 2017 comments: "Ohio Consumers' Counsel points out that if the Independent Market Monitor is barred from filing a complaint against PJM . . . , in some circumstances no other party could bring such a complaint, since only the Independent Market Monitor would have the information (provided on a confidential basis) to enable it to file a complaint in a timely manner."

FERC's ruling, based in part on the arguments raised by OCC, will protect consumers by allowing the Independent Market Monitor to file complaints when abuses of market power occur or PJM's markets result in consumers being overcharged.

FERC Docket No. ER16-372

Bankruptcy Court cases affecting electric consumers

OCC Appeals Bankruptcy Court ruling to protect interests of consumers (U.S. Court of Appeals for the Sixth Circuit)

FirstEnergy Solutions ("FES"), an unregulated affiliate of FirstEnergy's Ohio utilities, filed for federal bankruptcy protection in 2018. The company will become separate from FirstEnergy after the bankruptcy proceeding. As part of its bankruptcy filing, FES sought to escape paying for its share of two Eisenhower-era coal plants (one in Indiana and one in Ohio) held by the Ohio Valley Electric Corporation ("OVEC"). If FES was relieved of its obligations to pay for the coal plants, customers of other Ohio utilities could have to pay millions of dollars more to subsidize these two uneconomic plants.

Issues for Electric Consumers

In the bankruptcy case, OCC argued that FERC should decide whether it is in the public interest for FES to be absolved of its obligations to pay for the OVEC coal plants. The Bankruptcy Court, however, prohibited FERC from considering the issue and applied a “business judgment” standard that considers only the interests of FES and not the interests of consumers. OCC and others appealed the Bankruptcy Court ruling to the U.S. Court of Appeals for the Sixth Circuit.

The appellate court ruled in favor of FES that the Bankruptcy Court could generally prevent FERC from issuing any rulings that would interfere with the Bankruptcy Court’s ruling. But, in a victory for OCC and others, the Court of Appeals also ruled that the Bankruptcy Court should have (1) invited FERC to participate and provide its opinion on the issue, and (2) considered the public interest, and not just the business interests of FES, when deciding the issue. As of year-end, the Bankruptcy Court had not yet reconsidered its prior opinion based on the appellate court’s ruling.

U.S. Court of Appeals for the Sixth Circuit Case No. 18-314

Ohio Supreme Court cases affecting electric consumers

Consumers’ Counsel and others win Supreme Court appeal striking down FirstEnergy’s so-called “distribution modernization” charges to consumers

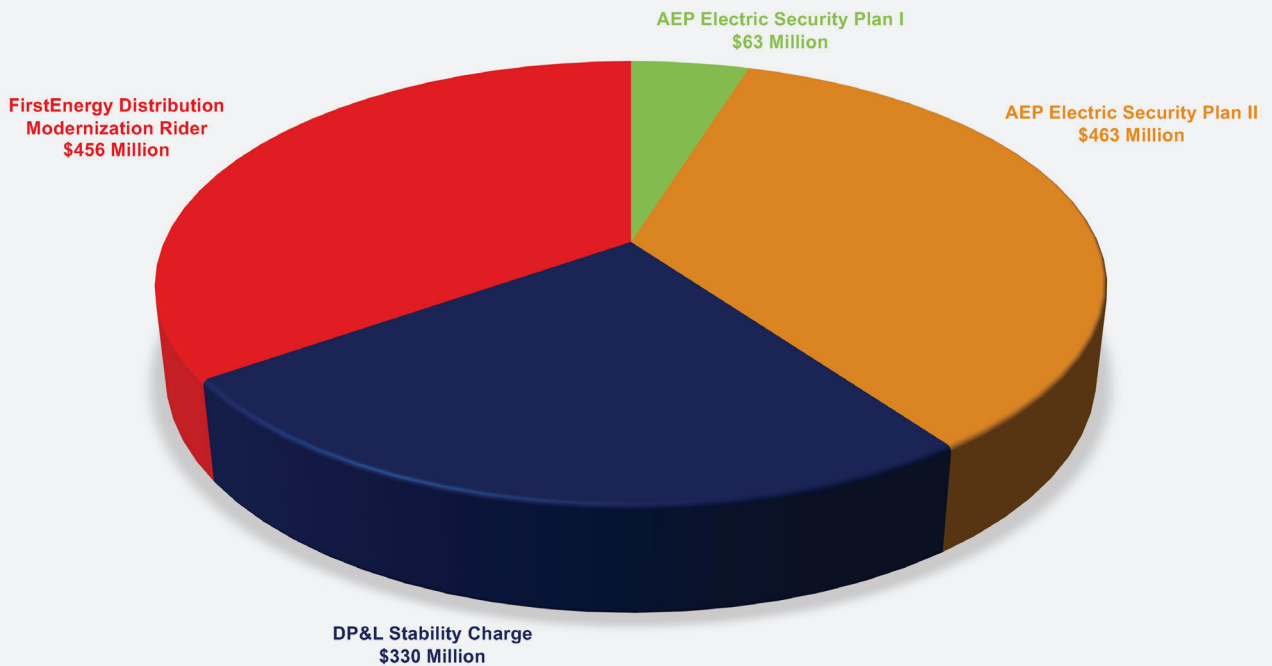
The Consumers’ Counsel, along with several others, appealed a PUCO decision that approved a charge to two million FirstEnergy customers for a so-called “distribution modernization” subsidy. The PUCO decision required customers to pay about \$456 million to FirstEnergy for credit support, without requiring FirstEnergy to use even a penny of the money for actual distribution modernization.

In a 4-3 decision issued in June 2019, the Court found that the PUCO’s order was unlawful and unreasonable. In what has become a familiar bad outcome for consumers when utility charges are invalidated, the Court ruled that FirstEnergy need not give consumers a refund of the nearly half-billion dollars it collected from them. The Court held that since the FirstEnergy tariffs (which were under the PUCO’s control) did not contain a refund mechanism, the law bars refunds. Earlier, OCC and the Ohio Manufacturers’ Association jointly asked the PUCO to change FirstEnergy’s tariffs to allow for a refund, but the PUCO commissioners denied the request – and that ruling cost consumers \$456 million in denied refunds. Without a refund, the Court’s decision results in another pyrrhic victory for consumers, while Ohio’s electric utilities continue to thwart attempts at the PUCO, the legislature, and courts to enable refunds of utility charges that the Supreme Court holds to be improper.

OSC. Case Nos. 17-1444; 17-1664

Anatomy of a Consumer Rip-Off

OHIOANS DENIED \$1.2 BILLION IN REFUNDS SINCE 2009



Just since 2008, Ohio electric consumers have been denied (and utilities have kept) well over a billion dollars in refunds after the Ohio Supreme Court found utility charges to be improper. Ohio consumers would not be mistaken if they think the system is rigged against them and in favor of the utility industry.

As discussed above, a successful appeal in the Ohio Supreme Court by OCC and others led to the elimination of FirstEnergy's so-called Distribution Modernization Rider ("DMR").

But the Court ruled that the law "bars any refund of recovered rates unless the tariff applicable to those rates sets forth a refund mechanism. (citations omitted). FirstEnergy's tariffs for the DMR, however, contain no refund mechanism." The PUCO, the agency that authorized the DMR in the first place, is also the agency that decides whether to make charges subject to refund. Without a refund, the Court's decision was another victory for utilities who have thwarted consumer attempts at the PUCO, the legislature and the Court to enable refunds of utility charges that the Court finds to be improper. And, after legislation (H.B. 247) to enable refunds was not even given a vote in the 132nd General Assembly, there was no legislation pending in 2019 to enable refunds to utility consumers.

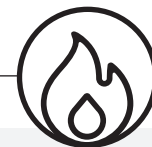
How the story unfolded:

In the PUCO case that led to the OCC and others' appeals, the PUCO declined to order a refund mechanism in FirstEnergy's tariffs even after OCC and OMA jointly requested that the tariffs be written to make the charges subject to refund. The PUCO declined to make the charges refundable despite its own Staff's recommendations for a limited refund mechanism.

In the absence of tariff language allowing for a refund, the Supreme Court ordered an immediate end to the charge but did not order refunds of the hundreds of millions already paid by Ohio consumers. That's the story of how two million FirstEnergy consumers lost \$456 million in refunds and FirstEnergy walked away with the money despite the Supreme Court's ruling that the charge was unlawful.



Issues for Natural Gas Consumers



The Ohio Consumers' Counsel advocated in 2019 for millions of Ohio natural gas consumers, in a number of cases affecting their monthly natural gas bills. This discussion describes some of the significant consumer issues that OCC addressed. A full listing of the Agency's case activities can be found at the back of this Annual Report.

State cases affecting natural gas consumers

Consumers' Counsel and others negotiate a settlement that will end a marketer rip-off of consumers in Dominion's service area, in the so-called "monthly variable rate" program.

To protect residential natural gas consumers, OCC asked the PUCO to order Dominion to re-establish its Standard Choice Offer ("SCO") as the default service for all residential customers and eliminate the Monthly Variable Rate ("MVR") program. The Standard Choice Offer is a competitively bid rate that is at historic low prices. The MVR, on the other hand, is a rate that has been exploited by some marketers to charge unconscionably high rates to a small segment of consumers.

Under the MVR, Dominion randomly assigned a marketer to provide natural gas supply at a rate set by the marketer. The MVR is typically a higher rate than Dominion's competitively bid standard offer. But worse, some rates charged by natural gas marketers have price-gouged consumers, as much as two to nearly four times the Standard Choice Offer price of natural gas. OCC noted in its Motion to the PUCO (asking the PUCO to protect consumers by ending the program) that while the number of customers on the Monthly Variable Rate may be few, the harm to those customers can be great.



*"Stopping this consumer rip-off has been on my utility-reform 'bucket list' in my job as the state advocate for residential utility consumers. There should be zero tolerance in Ohio for the victimizing of consumers by any marketers, and the Office of the Ohio Consumers' Counsel will seek legislation to prevent this from happening again."
~Bruce Weston*

OCC, the PUCO Staff, Dominion and several gas marketers were able to reach a Settlement recommending to the PUCO commissioners that they end the program for all residential consumers and the smallest commercial customers. The Settlement also recommends that the PUCO replace the Monthly Variable Rate for larger commercial customers with a new program called the Monthly Retail Rate (which is not a part of the Settlement that OCC joined). (Note: In 2020, the PUCO accepted the Settlement.)

PUCO Case No. 18-1419-GA-EXM

The Consumers' Counsel seeks to protect customers from overpaying for Duke's environmental cleanup of two former manufactured gas plants in Cincinnati

Manufactured gas was a form of gas that was created by heating coal in large

Issues for Natural Gas Consumers

brick ovens. The gas was popular for street lighting and heating from the mid-1800s until the early 1900s, when it was replaced by natural gas and electric lighting. Although these gas plants are long defunct, the industrial process of creating the manufactured gas left behind environmental contaminants at the sites that the current owners of the sites are required to cleanup.

In a 2012 base rate case and over the objection of OCC and others, the PUCO authorized Duke to collect from customers approximately \$55 million in costs incurred in 2008 – 2012 for environmental cleanup of two former plant sites in Cincinnati. The PUCO also authorized Duke to defer ongoing cleanup costs at the sites for future collection from customers.

Duke applied to the PUCO for authority to collect from customers nearly \$46 million for deferred gas plant cleanup costs for the 2013-2018 period. At an evidentiary hearing in November 2019, OCC argued that Duke should be permitted to collect only approximately \$4 million from customers for the cleanup costs for the following reasons. First, OCC agreed with the PUCO Staff that Duke improperly sought collection of approximately \$23 million for environmental cleanup of areas that were not part of the original gas plant sites.

Second, Ohio law only permits utilities to recover costs from customers that are incurred for the current provision of utility service. Duke's cleanup costs for the offsite areas do not meet this standard because the offsite areas were not part of the former gas plant sites when they were in operation and they have no relationship to Duke's provision of natural gas utility service in the present day.

Finally, OCC argued that Duke spent considerably more than was necessary to clean up the sites. An Ohio EPA-certified engineer with more than 30 years of experience cleaning up manufactured gas plant sites was retained by OCC. He testified that Duke could have met all applicable Ohio environmental standards to protect human health and the environment for approximately \$10 million, instead of the \$46 million that Duke asked consumers to pay. Only about \$4 million of this \$10 million would be charged to customers if Duke's cleanup costs are limited to cleanup of the former plant sites themselves. This case remains pending.

PUCO Case Nos. 19-0175-GA-ATA et al.





Issues for Telephone Consumers



OCC advocated for Ohio landline telephone consumers. The OCC sought to protect consumers' access to basic telephone service that is reasonably priced and of adequate quality, as the telephone industry transitions from traditional wireline service to wireless and Internet services. The major issues involving the Agency's work for landline telephone consumers are described below. A full listing of the Agency's case activities can be found at the back of this Annual Report.

State cases affecting telecommunications consumers

OCC works to protect Frontier customers from service violations

Frontier, a successor to General Telephone, serves residential customers in mostly rural areas throughout the state.

The PUCO Staff filed a letter that asked the PUCO to open a complaint and investigation regarding problems for consumers with Frontier's service quality, based on the Staff's review of numerous customer complaints against Frontier. The Staff cited cases from around Ohio where Frontier customers lost dial-tone for their basic telephone service, and the service was not restored for extended periods. The PUCO Staff filed a complaint against Frontier alleging violations of Ohio law and the PUCO's rules.

Discussions between OCC and the other parties to improve Frontier's customer service continued at year end. This case remains pending.

PUCO Case No. 19-1582-TP-COC



OCC protects telephone consumers in PUCO rulemaking

The PUCO initiated a rulemaking as directed by Substitute H.B. 402, which in 2019, made significant changes to the PUCO's jurisdiction and set the stage for unlimited increases in the prices consumers pay for basic phone service. OCC and other consumer advocates opposed that legislation. In the PUCO's rulemaking, OCC and other consumer advocacy groups made numerous recommendations on the rules, to establish consumer benefits and protections.

The PUCO adopted rules that maintained key consumer protections, including that telephone companies must continue to make basic local exchange service available to consumers who request it and must meet statutory standards for service rather than their own standards.

PUCO Case No. 19-0173-TP-ORD



Issues for Water Consumers



Under Ohio law, the PUCO regulates price and service quality for the investor-owned water and wastewater companies that provide utility service to consumers. Many water utilities in Ohio are operated by local governments, which the PUCO does not regulate. Aqua Ohio is the major water utility regulated by the PUCO. Aqua Ohio serves approximately 152,000 customers and approximately 6,000 wastewater customers. The PUCO also regulates six smaller water companies and six smaller wastewater companies, each serving fewer than 2,500 customers. The rates for water and wastewater services are regulated by the PUCO under traditional ratemaking standards found in O.R.C. Chapter 4909.

The major issues involving the Agency's work for water consumers are described below. A full listing of the Agency's case activities can be found at the back of this Annual Report.

State cases affecting water consumers

OCC advocated to give Aqua Ohio consumers benefits from the federal tax cut

Aqua filed applications for its water and wastewater utilities in December 2018, to resolve matters related to the Tax Cuts and Jobs Act of 2017. Aqua later filed amended applications in June 2019 based on review and recommendations by interested parties. Both amended applications were approved by the PUCO in December 2019.

For water services, the PUCO's decision will lower monthly bills to consumers of Aqua by \$7.3 million. For wastewater services, the PUCO's decision will lower monthly bills to consumers of Aqua by nearly \$600,000. Reductions in customer water and waste water bills will occur over a period of years.

PUCO Case Nos. 18-1841-ST-UNC, 18-1843-WW-UNC



Consumer Education

The Office of the Ohio Consumers' Counsel remains committed to providing Ohioans with a reliable source for objective information about their utility services and choices. Our consumer education is provided through OCC's website, fact sheets, social media, outreach presentations to consumers, attendance at state and local fairs, and direct communication with consumers.

OCC helped Ohioans make informed decisions to save money

The OCC has Outreach and Education Specialists that travel the state to help consumers make informed decisions regarding their utility services. These specialists speak to utility consumers at various venues including senior centers, social service agencies, health fairs, food pantries, neighborhood meetings and community events to educate residential utility consumers. OCC specialists made 558 appearances (including 403 information site visits) at events about topics regarding consumer assistance programs, managing utility bills, Ohio's energy choice programs, and how to save money by making homes more energy efficient.

With the continued encouragement of the OCC Governing Board, OCC has worked to have a presence at fairs in Ohio, including county fairs and the state fair, in recent years. OCC staffed information booths in 33 fairs spanning across 32 counties, including the Farm Science Review and the Ohio State Fair.

The Public Affairs Department is available to assist Ohioans with inquiries. On OCC's website (www.occ.ohio.gov), consumers can view fact sheets and other information. Consumers may also follow OCC on Twitter @OCC4Consumers to keep up to date on utility news and other OCC activities. Videos pertaining to choosing an energy supplier and other consumer topics can also be found on OCC's website and YouTube.

OCC Low-Income Dialogue Group for helping at-risk Ohioans

OCC continued its partnership with consumer organizations dedicated to protecting the rights and interests of the thousands of Ohio families living in poverty and with food-insecurity. One such effort is a monthly (conference call) meeting of low-income advocate organizations including legal aid societies, community action agencies, senior organizations and others.

For over a decade, OCC has facilitated the Low-Income Dialogue Group which seeks to identify and find solutions to utility issues affecting families and individuals on fixed or limited incomes. In its capacity as Ohio's residential utility consumer advocate, OCC provides expertise in utility matters to member organizations, many of whom advocate on behalf of low-income Ohioans on a broad range of issues.

A primary focus for the Low-Income Dialogue Group was the State of Ohio's five-year review of its credit and collection rules. The revised rules, which include policies and procedures impacting consumers struggling to pay utility bills and who become at risk for utility disconnection, will go into effect in 2020. Ohio's Percentage of Income Payment Plan Plus ("PIPP") is imbedded in the credit and collection rules and was a key aspect of OCC's recommendations.

Other areas of concern for the group include: denial of utility service to customers in violation of Ohio's benefit of service rules; utility infringement of consumer rights under the Health Insurance and Portability Accountability Act; the reduction of federal telephone Lifeline benefits for customers; and continued funding of the Low-Income Home Energy Assistance Program for low-income customers.

Office of the Ohio Consumers' Counsel

Serving Ohioans since 1976

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ALBERT & SHANE REINIGER • AMES SHOWN COMPANY • BIRER & STACY GREGORY • AMERICAN WOOD • HOMELANDS FARM
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CONSTRUCTION EMERGENCY • HANFORD & NEIDHOFER ATTORNEY • DAVID JANSKY FAMILY • COUNTELL PROFESSIONAL INC. • EASTMAN FUNERAL HOME
EMERGENCY BY STEVE • BRIAN & MELANIE COCCO • ROSS LEWIS • MARTHA PRYZBYLINSKY • CLARK & COOK • JAMES KEEL • LORRAINE HARRISON
PEGGY CASE IN MEMORY OF GERALD • NICKY TAXIDERMIST • SCOTT & JANNY GANZ • YODCHI FARMS • NORTON UNION FIRE DEPARTMENT



OCC education specialist Amy Carles meets consumers at the Huron County Fair.



Consumers' Counsel Bruce Weston and OCC education specialist Ray Foeller at the Ohio State Fair.

2019 Fiscal Report

The Agency is funded through an assessment on the intrastate gross receipts of entities regulated by the PUCO, based on Section 4911.18 of the Ohio Revised Code.

The Agency assessed more than 1,000 regulated entities for operating funds for fiscal year 2019. If all regulated entities charged their customers for the cost of the Agency's budget, this charge would cost customers less than three cents for every \$100 in utility bills. This cost is equivalent to less than a dollar a year for a typical utility customer.

Operating budget expenditures

Payroll and benefits	\$ 3,916,139.64
Purchased personal services.....	\$ 913,847.95
Supplies and maintenance.....	\$ 524,884.06
Equipment.....	\$ 56,159.94
Other refunds.....	\$ 7,453.46
Total	\$ 5,418,485.05

Employee Recognition

Exceptional employees are recognized as Employee of the Quarter by the Consumers' Counsel, the Deputy Consumers' Counsel, and the Agency's directors. Employees are acknowledged for their outstanding work on behalf of Ohio's residential utility consumers and for exemplifying OCC's mission, vision and values.



Ross Willis

Selected as Employee of the Quarter for January-March 2019, Ross Willis joined the OCC as a Senior Regulatory Analyst in October 2015. Ross focuses on various ratemaking issues, including single-issue ratemaking, audits and filings requiring financial analysis. Ross retired from the PUCO after 30 years of service. Most recently he was Chief of the PUCO Rates Division. Ross also served with the Ohio National Guard for more than 27 years. He earned the rank of Lieutenant Colonel and is a veteran of the war in Afghanistan. Ross holds a Bachelor of Business Administration degree from Ohio University where he majored in Finance and Management. He is also a graduate of the Academy of Military Science where he received a professional certification as a Commissioned Air Force Officer.



Lisa Lyman

Selected as Employee of the Quarter for April-June 2019, Lisa Lyman joined the OCC as the fiscal manager in February 2015. Prior to joining OCC, Lisa held positions in fiscal and contract management with the Ohio Department of Rehabilitation and Corrections and worked for the Department of Administrative Services in its Real Estate Division. Lisa received her Bachelor of Science in Human Services from Ohio University in 1985.



Kerry Adkins

Selected as Employee of the Quarter for July-September 2019, Kerry Adkins joined OCC as a Senior Regulatory Analyst. Kerry has more than 29 years of experience in public service regulating utilities at the PUCO. His experience includes investigations and audits, drafting and enforcing PUCO rules, testifying as an expert witness, and involvement in public policy making on issues affecting Ohio consumers. Kerry has a bachelor's degree in History from Ohio Northern University and a Master of Public Administration degree from Ohio State University.



Angela O'Brien

Selected as Employee of the Quarter for October-December 2019, Angela joined OCC as an attorney earlier that year. Angela practiced as an attorney for 10 years in the Regulated Industries and Litigation departments of Mayer Brown, LLP in Chicago. Prior to joining Mayer Brown, she practiced in the Energy, Telecommunications and Utilities group of Barnes & Thornburg, LLP in Indianapolis, Indiana. Her work at both firms included representing incumbent local exchange carriers and competitive natural gas and retail electric suppliers before state public utility commissions. In 2015, Angela and her family moved from Chicago to the Columbus, Ohio area. Angela earned her B.A. in Sociology from the University of Houston and her J.D. from the Indiana University School of Law, Indianapolis.



2019 Case Activity

<i>Case Number</i>	<i>Utility</i>	<i>Issue</i>	<i>Consumer Impact</i>
Electric Cases at the Public Utilities Commission of Ohio			
19-2135-EL-ATA	AEP Ohio	OVEC coal plant subsidies under H.B. 6	The PUCO approved AEP's proposal to charge customers, under H.B. 6, to subsidize two uneconomic coal plants, one in Indiana and one in Ohio. AEP projects it will charge residential customers about \$8.4 million in 2020 for the coal plant subsidies.
19-2133-EL-ATA	Dayton Power & Light	OVEC coal plant subsidies under H.B. 6	The PUCO approved DP&L's proposal to charge customers, under H.B. 6, to subsidize two uneconomic coal plants, one in Indiana and one in Ohio. DP&L projects it will charge residential customers about \$2.8 million in 2020 for the coal plant subsidies.
19-2123-EL-ATA	Duke Energy	OVEC coal plant subsidies under H.B. 6	The PUCO approved Duke's proposal to charge customers, under H.B. 6, to subsidize two uneconomic coal plants, one in Indiana and one in Ohio. Duke projects it will charge residential customers about \$9.2 million in 2020 for the coal plant subsidies.
19-2121-EL-ATA	FirstEnergy	OVEC coal plant subsidies under H.B. 6	The PUCO approved FirstEnergy's proposal to charge customers, under H.B. 6, to subsidize two uneconomic coal plants, one in Indiana and one in Ohio. FirstEnergy projects it will charge residential customers about \$11.3 million in 2020 for the coal plant subsidies.
19-2081-EL-AAM; 19-2080-EL-ATA	FirstEnergy	Guaranteed utility revenues charged to customers under H.B. 6	FirstEnergy proposed to charge residential customers more than \$12 million in 2020 in "decoupling" charges as permitted under H.B. 6. The irony is that the collections from customers are intended to compensate the utility for revenues lost by energy efficiency efforts by its customers. The PUCO approved FirstEnergy's charge.
19-2037-EL-AEC	AEP Ohio	Solar power subsidies charged to customers	AEP filed an application with the PUCO seeking a path to charge its captive monopoly consumers to subsidize solar power plants. Under AEP's proposal residential customers would likely subsidize contractual arrangements between AEP and non-residential customers for solar power costs not covered by the arrangement.
19-1969-EL-RDR	AEP Ohio	Smart City rider	AEP seeks to collect an additional \$0.24 per month from customers to subsidize its Smart City projects (a microgrid and an electric vehicle charging rebate).
19-1904-EL-RDR	FirstEnergy	Energy efficiency charges to customers	FirstEnergy seeks to charge customers for its energy efficiency programs (including utility profits). The proposal contains minimal supporting details and thus lacks public transparency.
19-1887-EL-RDR	FirstEnergy	Distribution charges to customers	FirstEnergy's Delivery Capital Recovery Rider will be audited to determine if the rates charged to consumers were prudent and reasonable. Under this rider, Ohio Edison customers pay \$0.78 per kwh; Cleveland Electric and Illuminating customers pay \$0.93 per kwh; and Toledo Edison customers pay \$0.73 per kwh.
19-1863-EL-WVR	Duke Energy	Customer bill format	Duke Energy requested waivers of PUCO rules in response to OCC's objections to its related bill format case 19-1593-GE-UNC. The PUCO approved the waivers addressing OCC's consumer protection concerns by limiting the time the waivers are in effect.
19-1808-EL-UNC	Electric	Designing rates to collect OVEC subsidies	H.B. 6 requires the PUCO to establish a charge to customers for utilities' prudently incurred costs related to coal power plants in Ohio and Indiana through Dec. 31, 2030. The PUCO will decide how costs will be collected from customers.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
19-1776-EL-RDR	Dayton Power & Light	OVEC coal plant subsidies	DP&L's Reconciliation Rider is updated and reviewed annually by the PUCO Staff. The Reconciliation Rider, which ended in 2019, was a charge to customers designed to collect the costs of producing power from the two OVEC plants from consumers.
19-1771-EL-AAM	Duke Energy	Tree-trimming charges	Duke Energy seeks PUCO approval to defer \$7 million (and financing costs) in 2019 tree trimming expenses for later collection from customers. Those charges exceed the \$20 million cap in tree-trimming expenses that the PUCO approved.
19-1587-EL-WVR	Duke Energy	Energy efficiency charges to customers	Duke Energy is seeking to extend its existing energy efficiency programs to its 640,000 residential utility customers rather than file a new plan for energy efficiency. The existing PUCO rules have been effectively superseded with the passage of HB 6.
19-1562-EL-CRS	Bolt Energy	Energy marketing	Bolt Energy applied to market electricity services to Ohioans. The PUCO would have examined whether Bolt had the managerial, technical, and financial capability to market and provide electric services to customers throughout Ohio. To protect consumers, OCC opposed the application. Bolt withdrew its application.
19-1475-EL-RDR	AEP Ohio	gridSMART Phase III	AEP filed an application with the PUCO to spend more than \$1 billion on Phase 3 of AEP's gridSMART project. AEP's application proposes to net the benefits of the gridSMART project against the proposed costs to be collected from customers.
19-1389-EL-WVR	AEP Ohio	Customer bill processing	AEP sought PUCO permission to shorten the time frame for residential customers to pay their utility bills from 21 days to 15 days. AEP is moving its bill printing and mailing functions to Indiana. OCC's objections led the PUCO to limit the utility's proposal to a one-year pilot.
19-1338-EL-UNC	First Energy	2018 Electric security plan profits	FirstEnergy utilities excluded the Distribution Modernization charge revenues from the annual profits review. That exclusion was challenged by OCC because it may prevent customers from obtaining a refund they might otherwise receive under the law.
19-1287-EL-RDR	Duke Energy	Distribution charges to customers	The distribution capital investment rider enables Duke Energy to charge customers for its distribution infrastructure investments. The PUCO has required that this rider be audited annually for accounting accuracy, prudence, and compliance with PUCO orders. The audit recommended disallowing approximately \$880,000. The auditor also identified approximately \$13 million of expenses that should not be charged to customers.
19-1270-EL-USF	Ohio Development Services Agency	Universal Service Fund Rider	The Universal Service Fund (USF) provides assistance to low-income residential customers who could not otherwise afford electric service. All customers pay for the USF program on their monthly bill. The PUCO considers how to calculate (USF) rates and the appropriateness of adjustments to the USF charges that customers will pay in 2020.
19-1121-EL-UNC	Dayton Power & Light	Electric security plan profits	DP&L wants to charge its customers significantly excessive profits, based on a profit margin that is 22.35%. OCC concluded that DP&L has significantly excessive profits of \$40 million. Under the law, customers are entitled to refunds if the profits earned under a utility's electric security plan are significantly excessive.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
19-1098-EL-UNC	AEP Ohio	Electric security plan profits	AEP wants to charge its customers for significantly excessive profits, which OCC calculated to be \$5.7 million. As a result, AEP's residential utility customers should be given refund. Ohio law requires a utility to provide a refund to customers if the utility's profits from its electric security plan were "significantly excessive."
19-0662-EL-RDR	Dayton Power & Light	Storm restoration charges	The PUCO approved DP&L's request to charge consumers \$0.65 per month for restoring electric service following major storms that occurred in 2018.
19-0622-EL-RDR	Duke Energy	Energy efficiency charges to customers	The PUCO Staff audited Duke Energy's energy efficiency rider and found that Duke Energy is trying to charge customers for \$335,000 in improper expenses. This is a recurring problem with Duke Energy programs.
19-0577-EL-RDR	Dayton Power & Light	Transmission costs charged to customers	DP&L sought PUCO approval to change the rates that its customers will pay over the next year for transmission costs. The transmission rates were updated to reflect federal tax reductions and recent developments at the FERC.
19-0568-EL-ATA; 19-0572-EL-UNC	Dayton Power & Light	Federal tax cuts benefiting customers	Consistent with a prior settlement between OCC, DP&L, and others, the PUCO approved DP&L's proposal to provide customers benefits of the Tax Cuts and Jobs Act of 2017.
19-0571-EL-RDR	AEP Ohio	Guaranteed utility revenues charged to customers	AEP proposed to charge residential customers more than \$9.2 million in 2020 in "decoupling" charges. The irony is that the collections from customers are intended to compensate the utility for revenues lost by energy efficiency efforts by its customers. AEP has charged consumers \$126.5 million (since 2012) for electricity that AEP didn't sell.
19-0460-EL-UNC	Duke Energy	Electric security plan profits	The PUCO will determine whether Duke Energy had significantly excessive earnings in 2018 from its electric security plan and whether customers are entitled to a refund.
19-0439-EL-RDR	Dayton Power & Light	Distribution investment charges to customers	DP&L had been charging its customers 9.06% of base distribution charges through a Distribution Investment Rider since Sept. 30, 2015. This charge for an average customer in 2019 was \$27 and in addition to distribution charges collected from customers through base rates or other riders. The rider has been discontinued.
19-0363-EL-WVR	FirstEnergy	Energy efficiency charges to customers	FirstEnergy seeks a limited waiver of the requirement to file its energy efficiency and demand reduction portfolio plan by April 15, 2019.
19-0361-EL-RDR	FirstEnergy	Distribution modernization charges to customers	FirstEnergy sought to extend the charges for its so-called Distribution Modernization Rider (DMR) for two additional years. But the charge to consumers was found to be unlawful by the Ohio Supreme Court. OCC asked the PUCO to deny FirstEnergy's request and the PUCO agreed. If FirstEnergy had extended the DMR charge, customers would have paid an additional \$335 million. This equates to about \$80 for each residential consumer over the requested two-year period.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
19-0334-EL-UNC	Dayton Power & Light	Energy efficiency pilot program	OCC opposed DP&L's new residential demand response pilot program because it was not designed to maximize benefits for customers.
19-0187-EL-WVR	Duke Energy	Service disconnection rules	Duke requested a waiver of PUCO rules so that it would not be required to provide personal notice of disconnection to customers for nonpayment of electric service. The PUCO granted the waiver (until May 2019) allowing Duke to avoid providing personal notice of disconnection to residential customers with advanced meters.
19-0162-EL-RDR	Dayton Power & Light	Distribution modernization charges to customers	DP&L sought to nearly double its charges to customers (collecting an additional \$400 million) by extending its so-called Distribution Modernization Rider (DMR). The PUCO ordered DP&L to stop charging customers for the rider after the Supreme Court struck down FirstEnergy's nearly identical rider. The extension of this unlawful rider should be denied as well.
19-0133-EL-RDR	AEP Ohio	Transmission costs collected from consumers	AEP filed a proposal to collect 2019 transmission costs from consumers which would cost consumers \$12.47/month or about \$150 per year.
19-0124-EL-AEC	AEP & PRO-TEC Coating Co.	Mercantile customer subsidy	Under the proposed arrangement, PRO-TEC, a mercantile customer, would receive a \$7 million discount for its electric service that is subsidized by other customers. The discount is provided over the next six years.
19-0065-EL-RDR	AEP Ohio	Distribution investment charges to customers	AEP's Distribution Investment Rider (DIR) charges customers for infrastructure investments. The PUCO reviews the DIR annually to determine if the charges are reasonable and prudently incurred. This case audits AEP's DIR charges for 2018. OCC has recommended several reductions to the charges customers would otherwise pay.
19-0002-EL-UNC	Electric	Energy efficiency charges to customers	The PUCO ordered an outside audit of all electric utilities for charges to consumers under energy efficiency programs from 2014 to 2018.
18-1877-EL-AAM; 18-1876-EL-WVR; 18-1875-EL-GRD	Dayton Power & Light	Grid modernization and advance metering charges to customers	DP&L filed an application, under an Electric Security Plan seeking PUCO approval of a plan to modernize its distribution grid by investing \$573 million and charging customers \$69 million in operation and maintenance expenses. The electric security plan that DP&L relied upon for this application was subsequently withdrawn by DP&L.
18-1818-EL-RDR	FirstEnergy	Transmission costs charged costs to customers	FirstEnergy sought to charge its two million residential customers for \$94.8 million in transmission costs.
18-1683-EL-WVR	Duke Energy	Service disconnection practices	Duke requests a waiver of PUCO rules requiring it to hand deliver disconnection notices to customers who are suspected of fraudulent acts.
18-1656-EL-ATA; 18-1604-EL-UNC; 17-2436-EL-UNC; 16-0481-EL-UNC	FirstEnergy	Grid modernization-Federal tax cuts	The PUCO approved a settlement allowing FirstEnergy (FE) to charge customers more than \$500 million for grid modernization. The settlement reached by OCC and others required FE to pass savings from the Tax Cuts & Jobs Act (around \$800 million) to customers.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
18-1649-EL-RDR	FirstEnergy	Distribution modernization charges to customers	Following the Supreme Court of Ohio's ruling that FirstEnergy's distribution modernization rider was unlawful, the PUCO ordered FirstEnergy to stop charging Ohio customers for distribution modernization.
18-1647-EL-RDR	FirstEnergy	Grid modernization charges to customers	The PUCO Staff will review and audit the \$13 million that residential customers paid, in 2019, for FirstEnergy's grid modernization pilot program.
18-1646-EL-RDR	FirstEnergy	Energy efficiency charges to customers	FirstEnergy proposed increases to customers for energy efficiency programs that OCC opposed because the proposal lacked transparency. The PUCO did not address OCC's objections, and the rate increases were automatically approved.
18-1618-EL-RDR	AEP Ohio	Operational savings for customers from gridSMART	AEP's gridSMART program was supposed to generate operational savings that would reduce the costs charged to customers for AEP's gridSMART program. An audit of the operational savings, estimated at \$200 million, for Phase 1 and Phase 2 of AEP's gridSMART program will be conducted.
18-1605-EL-RDR	Dayton Power & Light	Guaranteed utility revenues charged to customers	DP&L has proposed to charge customers \$11.3 million in 2020 in "decoupling" charges. The irony is that the collections from customers are intended to compensate the utility for revenues lost by energy efficiency efforts by its customers.
18-1542-EL-RDR	FirstEnergy	Distribution charges to customers	FirstEnergy charges customers under its Delivery Capital Recovery Rider for certain capital investments made by it. The PUCO examined the accuracy and prudence of the capital investments made by FirstEnergy in 2017. An audit found that FirstEnergy had improperly charged approximately \$54 million to consumers.
18-1393-EL-ATA; 18-1392-EL-RDR; 18-0501-EL-FOR	AEP Ohio	Need for customers to subsidize power plants	AEP asked the PUCO to find that there is a "need" for it to operate up to 900 MW of renewable power plants in Ohio (solar and wind), and that AEP's captive monopoly customers should pay. OCC supported the General Assembly's 1999 vision of markets for providing customers electric power instead of monopoly supplied power.
18-1371-EL-RDR	AEP Ohio	Tree trimming charges to customers	AEP charges customers a so-called Enhanced Service Reliability Rider for tree trimming costs. AEP over-collected from customers approximately \$15 million during 2015. OCC requested that the PUCO immediately return consumers' money with interest.
18-1257-EL-WVR	Dayton Power & Light	Service disconnection practices	DP&L requested a waiver from the PUCO's rule that requires personal notice be provided to the customer prior to disconnecting service for certain customers - those who allegedly threatened the utility. The PUCO granted the waiver on a pilot basis, through October 2021.
18-1191-EL-ORD	Electric	Commission rules review	The PUCO is reviewing its rules regarding economic development arrangements that give electric discounts to some commercial customers at the expense of all customers, including residential customers.
18-1190-EL-ORD	Electric	Commission rules review	The PUCO is reviewing its rules regarding the relationship between regulated electric utilities and their unregulated, competitive affiliates.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
18-1189-EL-ORD	Electric	Commission rules review	The PUCO is reviewing its rules regarding utility charges to consumers for electric transmission service.
18-1188-EL-ORD	Electric	Commission rules review	The PUCO is reviewing its rules regarding electric security plans. Electric Security Plans have been used by Ohio's electric utilities to charge consumers billions of dollars through single-issue ratemaking.
18-1036-EL-RDR	Duke Energy	Distribution charges to customers	Duke Energy filed an application to charge customers \$110 million under its Distribution Capital Improvement rider for replacing aging infrastructure. The PUCO reviewed the prudence of the costs that Duke wanted to charge consumers.
18-1003-EL-RDR	AEP Ohio	OVEC coal plant subsidy	The PUCO ordered an outside audit of AEP's charges to consumers to subsidize two coal plants during the 2016 to 2017 period. The auditor was unable to determine whether AEP acted prudently.
18-0857-EL-UNC	FirstEnergy	Electric security plan profits	The PUCO reviewed the 2017 related earnings of FirstEnergy. OCC asked the PUCO to find Ohio Edison had earned significantly excessive earnings in 2017 and sought a refund of \$42 million to its customers. The PUCO disagreed. OCC has appealed the case to the Ohio Supreme Court.
18-0783-EL-RDR	AEP Ohio	gridSMART Phase II charges to customers	The charges to consumers under AEP's gridSMART rider doubled, going from \$0.32 per month in the second quarter of 2018 to \$0.73 per month in the fourth quarter. The PUCO requires an annual review of the charges to consumers to determine if those charges are reasonable and prudently incurred.
18-0743-EL-WVR	Astral Energy	Retail energy marketing	Astral Energy sought a waiver of the PUCO's rules regarding marketing for electric service. Astral Energy is seeking to offer flat-rate pricing for competitive electric service to consumers. OCC opposed the waiver to protect customers.
18-0397-EL-RDR	Duke Energy	Energy efficiency charges to customers	The PUCO requires an annual review of Duke's energy efficiency charges to consumers. Following an audit by the PUCO Staff and recommendations by OCC, the PUCO disallowed more than \$325,000 in charges to consumers for Duke Energy's energy efficiency programs.
18-0381-EL-RDR	Dayton Power & Light	Storm damage charges to customers	The PUCO approved DP&L's request to charge consumers \$0.29 per month for restoring electric service following major storms in 2017. DP&L had originally requested \$0.34 per residential customer per month for 12 months
18-0371-EL-WVR	AEP Energy	Door-to-door marketing	AEP Energy requested a waiver of PUCO rules that require door-to-door solicitation be verified through a phone call to an independent third-party.
18-0230-EL-RDR	AEP Ohio	Distribution charges to customers	The PUCO Staff conducted an annual audit of AEP's Distribution Investment Rider for 2016 and 2017. AEP seeks to collect a total of \$543.2 million from its approximate 1.3 million customers to "improve service reliability." The PUCO approved a settlement, which OCC opposed.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
17-2398-EL-WVR	Star Energy Partners	Retail energy marketing	Star Energy has applied for a waiver of PUCO rules so that it can electronically verify consumer enrollment, rather than verify by a phone call to an independent third-party.
17-2344-EL-CSS	Duke Energy	Tree trimming charges to customers	A group of citizens filed a complaint against Duke because its tree-clearing policies and practices were affecting consumers and their properties. A settlement was reached by Duke, OCC and the PUCO Staff to improve consumer protection and place reasonable limits on Duke's tree trimming practices.
17-2009-EL-RDR	FirstEnergy	Distribution charges to customers	FirstEnergy is charging customers through its Delivery Capital Recovery (DCR) Rider, which allows for accelerated collection of certain distribution investment from customers. This is an annual audit to determine whether the 2017 charges to consumers were reasonable and prudently incurred.
17-1914-EL-RDR	AEP Ohio	Tree trimming charges to customers	The PUCO reviewed the charges by AEP to customers for tree trimming in 2016 to determine if the spending was prudent and helped to make service more reliable. The PUCO approved AEP's charges, over OCC objections.
17-1842-EL-ORD	Electric	Commission rules review	The PUCO is reviewing its rules regarding how electric utilities provide service to consumers. OCC recommended additional consumer protections be included in the PUCO's rules.
17-0974-EL-UNC	FirstEnergy	Corporate separation	The PUCO hired an independent auditor to determine if FirstEnergy was complying with its obligations to keep its monopoly distribution utility business separate from its competitive electric generation business.
17-0874-EL-AAM; 17-0873-EL-ATA; 17-0872-EL-RDR; 17-1265-EL-AAM; 17-1264-EL-ATA; 17-1263-EL-SSO; 17-0034-EL-AAM; 17-0033-EL-ATA; 17-0032-EL-AIR; 16-1602-EL-ESS	Duke Energy	Electric security plan charges to customers	Duke requested (and obtained) PUCO approval to set rates that Duke's customers will pay for electric service for the next six years. The case is on appeal to the Ohio Supreme Court where OCC is making recommendations for consumer protection as an amicus (friend of the Court).
17-0781-EL-RDR; 16-664-EL-RDR	Duke Energy	Energy efficiency charges to customers	Following an audit by the PUCO Staff and recommendations by OCC, the PUCO disallowed more than \$1.3 million in charges to consumers for Duke's energy efficiency programs.
17-0038-EL-RDR	AEP	Distribution charges to customers	AEP's charges under its Distribution Investment Rider (DIR) for 2016 were reviewed.
16-0743-EL-POR	FirstEnergy	Energy efficiency charges to customers	FirstEnergy seeks approval of an energy efficiency and peak demand reduction plan that will cost consumers nearly \$400 million over three years (2017-2019).

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
16-0574-EL-POR; 16-0576-EL-POR; 16-0743-EL-POR; 17-1398-EL-POR	Electric	Utilities' energy efficiency plans	Under HB 6, electric utilities will no longer be required to offer energy efficiency programs to customers after 2020. The PUCO is considering whether utilities should continue to offer programs to customers without mandates.
16-0397-EL-AAM; 16-0396-EL-ATA; 16-0395-EL-SSO	Dayton Power & Light	Electric security plan charges to customers	DP&L obtained PUCO approval to set the rates that the utility's residential customers will pay for electric service for the next six years. The PUCO removed DP&L's so-called distribution modernization rider, in response to arguments by OCC and others, saving consumers \$96 million.
14-2209-EL-ATA	Duke Energy	Access to consumers' electric usage information	The PUCO seeks to establish policies regarding Duke's treatment of the energy usage data of its 650,000 residential customers. Duke requested to change its tariffs to identify the terms, conditions, and charges associated with customer energy usage data.
12-2156-EL-ORD, 13-0651-EL-ORD, 13-0652-EL-ORD	Electric	Commission review of rules for energy efficiency after H.B. 6	The PUCO approved new rules that would allow utilities to automatically update their energy efficiency program and charge customers without approval. The new rules have not gone into effect as they may be impacted by H.B. 6, which has eliminated the energy efficiency mandates.
08-1094-EL-SSO; 08-1095-EL-ATA; 08-1096-EL-AAM; 08-1097-EL-UNC	Dayton Power & Light	Electric security plan charges to customers	Following the PUCOs' rejection of DP&L's distribution modernization rider, DP&L withdrew its electric security plan approved in Case No. 16-395-EL-SSO and went back to 2009 rates. DP&L's nearly 475,000 customers should have received rate decreases when the charge was taken out of rates. But DP&L replaced the DMR charge with another subsidy charge and customers failed to get the full rate decreases they should have received.

Water Cases at the Public Utilities Commission of Ohio

19-0567-WW-SIC	Aqua Ohio	Water and sewer system improvement charge	Aqua proposed to charge customers a 3.767% surcharge for a System Improvement Charge. The PUCO approved a Settlement filed by Aqua and PUCO Staff allowing a 3.733% surcharge on customers' monthly water bills.
18-1841-ST-UNC; 18-1842-ST-ATA; 18-1843-WW-UNC; 18-1844-WW-ATA	Aqua Ohio	Federal tax cuts	Aqua proposed to return the corporate income tax savings under the Tax Cuts and Jobs Act of 2017 to its water and sewer customers. The PUCO approved Aqua's request, guaranteeing customers the benefits of the federal tax cuts.
18-0337-WW-SIC	Aqua Ohio	Distribution and system improvement charges to customers	Aqua filed to collect a 3.937% surcharge for a system improvement charge from its customers. The PUCO approved a settlement with Aqua and PUCO Staff that reduced the charge to 3.66%.

Telephone Cases at the Public Utilities Commission of Ohio

19-1582-TP-COC	Frontier	Consumer service quality complaints	The PUCO initiated this complaint and investigation case against Frontier North Telephone Company because of "Frontier's failure to provide available, adequate, and reliable basic local exchange service (BLES) to its customers across the state of Ohio." Frontier's alleged violations adversely impact customers' access to voice and emergency 9-1-1 services, which threatens Ohioans' public safety and welfare.
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2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
19-1314-TP-CSS	CWA vs. AT&T	Consumer service quality complaints	The Communications Workers of America (CWA) filed a complaint against AT&T Ohio for jeopardizing the safety of CWA members and the public. The complaint alleged that AT&T had failed to maintain its physical plant and facilities in accordance with Ohio law, the PUCO's regulations, and standard industry practices. The complaint was dismissed by CWA.
19-0173-TP-ORD	Telephone	Increases to customer charges for basic service	The PUCO is implementing provisions of Substitute H.B. 402 that made significant changes to the PUCO's jurisdiction. It also set the stage for unlimited increases in the prices consumers pay for basic service.
17-1948-TP-UNC	AT&T Ohio	Lifeline program changes	Lifeline is a federal program that provides discounted telephone service to consumers whose income is less than 135% of the federal poverty level or who participate in certain low-income assistance programs. This left low-income customers in AT&T territory with only wireless choices.
14-1554-TP-ORD	Telephone	Five-year review of lifeline services	OCC and other consumer advocates provided joint recommendations to improve consumer protections for Ohioans and to safeguard consumers' rights under federal Lifeline rules. The advocates also seek to protect consumers when their telephone service is being withdrawn or discontinued.

Natural Gas Cases at the Public Utilities Commission of Ohio

19-2084-GA-UNC	Vectren	Energy efficiency charges to customers	Vectren seeks to charge customers about \$6 million per year in subsidies to pay for its natural gas energy efficiency programs. Vectren also wants to charge customers up to \$450,000 in utility profits.
19-1945-GA-RDR	Dominion Energy Ohio	Meter reading charges to customers	Dominion is seeking to decrease what it charges customers for its automated meter reading for calendar year 2019. This charge is for Dominion's annual costs to install automated meter reading equipment for each of the nearly 1.3 million customer meters. Dominion continues to collect the installation costs from customers in this single-issue charge until its next rate case.
19-1940-GA-RDR	Columbia Gas	Distribution and energy efficiency charges to customers	Columbia seeks approval from the PUCO to charge each of its 1.3 million residential customers \$132 per year for its Infrastructure Replacement Program. Columbia also seeks to charge customers more than \$25 per year to fund its natural gas energy efficiency programs, including charges for utility profits.
19-1769-GA-RDR; 19-1770-GA-RDR	Duke	Distribution charges to customers	Duke proposes to adjust its main replacement program charges to be effective in May 2020. Customers are charged for the replacement of prone-to-leak cast iron and steel mains and metallic service lines with plastic mains and service lines throughout Duke's service territory.
19-1456-GA-RDR	Pike Natural Gas	Energy efficiency charges to customers	Following a report by the PUCO Staff and recommendations from OCC, the PUCO canceled Pike's energy efficiency programs and ordered a refund of \$36,680 to customers of charges they previously paid to subsidize the programs.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
19-1085-GA-AAM; 19-1086-GA-UNC	Duke Energy	Collecting costs from customers for gas plant cleanup	Duke requested to continue deferring costs to clean up hazardous waste from its defunct manufactured gas plant sites for later collection from customers. These costs will likely be in the tens of millions of dollars.
19-1011-GA-RDR	Vectren	Distribution charges to customers	Vectren proposes to charge residential customers more than \$6.4 million in 2018 to replace prone-to-leak bare steel, cast-iron, and other metallic mains and service lines over an accelerated period. Vectren agreed to exclude approximately \$134,000 in plastic pipeline replacement costs from the distribution replacement charge.
19-0791-GA-ALT	Duke Energy	Distribution charges to customers	Duke Energy is seeking to charge customers for its capital expenditure program spending on infrastructure expansion that is not already collected as part of its main replacement program.
19-0779-GA-RDR	Vectren	Energy efficiency charges to customers	Vectren seeks approval to adjust the amount that it charges customers for its energy efficiency programs.
19-0468-GA-ALT	Dominion Energy Ohio	Distribution charges to customers	Dominion seeks to charge residential customers more than \$50 million per year for deferred expenses and capital investments in its distribution system.
19-0438-GA-RDR	Columbus Gas	Distribution charges to customers	Columbia applied to increase the amount that it charges customers under its capital expenditure program. The PUCO adopted a settlement between OCC and Columbia that results in a lower increase than proposed.
19-0174-GA-RDR; 19-0175-GA-ATA; 14-375-GA-RDR; 15-452-GA-RDR; 16-542-GA-RDR; 17-452-GA-RDR, 18-283-GA-RDR	Duke Energy	Collecting costs from customers for gas plant cleanup	Duke seeks to charge customers about \$45.8 million to clean up hazardous waste from its defunct manufactured gas plant sites. OCC advocated that customers should receive a \$46.7 million refund based on insurance proceeds received by Duke.
19-0029-GA-ATA	Vectren	Federal tax cuts	Vectren proposes to pass back to customers some, but not all, of the savings resulting from the Tax Cuts and Jobs Act of 2017. OCC is advocating that the PUCO should protect consumers by fully and promptly returning all tax savings (associated with the federal tax reduction) to customers through direct reductions to their utility bills.
18-1908-GA-UNC; 18-1909-GA-ATA	Dominion Energy Ohio	Federal tax cuts	Dominion is returning the benefits of the Tax Cuts and Jobs Act of 2017 to its customers.
18-1903-GA-WVR	Ohio Gas	Federal tax cuts	OCC and Ohio Gas reached a settlement that the PUCO approved, which guarantees customers lower rates associated with savings from the Tax Cuts & Jobs Act of 2017.
18-1830-GA-UNC; 18-1831-GA-ATA	Duke Energy	Federal tax cuts	Duke Energy is returning the benefits of the Tax Cuts and Jobs Act of 2017 to its natural gas customers.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
18-1720-GA-AIR; 18-1721-GA-ATA; 18-1722-GA-ALT	Northeast/ Brainard/ Spellman/ Orwell	Gas rate increases to customers	Northeast Ohio Natural Gas Corp. sought to increase gas distribution rates by \$3.5 million per year. OCC agreed not to oppose a settlement that eliminated \$2 million per year in charges to consumers and did not impose unreasonable fixed costs. The PUCO approved the settlement.
18-1701-GA-RDR	Columbia Gas	Smart thermostat charges to customers	OCC opposed a proposal to increase customer-funded subsidies for smart thermostats by \$3.6 million per year. The PUCO rejected the proposal.
18-1589-GA-RDR	Dominion Energy Ohio	Energy efficiency charges to customers	Dominion consumers could pay up to \$9.5 million per year for natural gas energy efficiency programs. Dominion asked the PUCO to rule that future applications will be automatically approved. OCC and the PUCO Staff opposed this recommendation and the PUCO agreed.
18-1588-GA-RDR	Dominion Energy Ohio	Meter reading charges to customers	Dominion has proposed to adjust the monthly charges to customers for meter reading. Dominion charges customers to install meter equipment over a five-year period. Dominion will continue to collect the installation costs through its single-issue charge until its next rate case.
18-1587-GA-RDR	Dominion Energy Ohio	Distribution charges collected from customers	Dominion requested a 17% increase (\$143.76 per customer on an annual basis) – nearly three times what it requested the prior year. It charges customers for prone-to-leak pipeline replacement through its pipeline infrastructure replacement charge. The PUCO Staff rejected DEO's assertion that certain costs did not need to be refunded to customers. OCC did not oppose the PUCO Staff's recommendations and the PUCO approved.
18-1452-GA-RDR; 18-1453-GA-ATA	Duke	Distribution charges to customers	Duke alerted the PUCO that it will be filing to decrease rates for Duke's gas distribution service, effective May 2019. Duke will continue to collect the pipeline installation costs in the single-issue charge until its next rate case.
18-1419-GA-EXM	Dominion East Ohio	OCC's request to eliminate the monthly variable rate program	OCC filed a motion to protect consumers from unreasonably high natural gas prices that some marketers charge to residential customers through Dominion's Monthly Variable Rate. The PUCO approved a settlement between OCC, Dominion and others that establishes the standard choice offer as the default service for residential customers and small commercial customers.
18-1205-GA-AIR; 18-1206-GA-ATA; 18-1207-GA-AAM	Suburban Natural Gas	Increased rates to customers	OCC opposed a settlement that would allow Suburban to charge customers for an \$8.9 million pipeline extension that was not used and useful. The PUCO approved the settlement.
18-0837-GA-RDR	Duke Energy	Grid modernization charges to customers	Duke filed its application for 2017 gas distribution system upgrade charges of \$3.1 million, or \$0.60/month for gas-electric customers and \$0.31/month for gas only customers.
18-0298-GA-AIR; 18-0049-GA-ALT; 18-0299-GA-ALT	Vectren	Increased rates to customers	Vectren applied to the PUCO for a gas distribution rate increase of approximately \$34 million. Vectren, the PUCO Staff, and other parties reached a settlement for a \$22.7 million rate increase for Vectren. OCC contested the settlement but the PUCO approved.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
18-0283-GA-RDR; 18-0284-GA-ATA; 17-0597-GA-ATA; 17-0596-GA-RDR; 16-0543-GA-ATA; 16-0542-GA-RDR; 15-0453-GA-ATA; 15-0452-GA-RDR; 14-0376-GA-ATA; 14-0375-GA-RDR	Duke Energy	Collecting costs from customers for gas plant cleanup	Duke seeks to collect \$14.65 million in charges from its customers for the cleanup of defunct manufactured gas plant sites during 2017. OCC opposed Duke's request because it is improperly seeking to charge customers for costs to clean-up areas that were not part of the original gas plant site.
18-0218-GA-GCR; 18-0318-GA-UEX; 18-0418-GA-PIP	Duke Energy	Audit of gas purchases	This case involves the management performance audit of Duke's gas purchasing practices and policies for supplying natural gas to its customers. The PUCO approved the settlement that included PUCO Staff and Duke.
17-1945-GA-ORD	Gas	Commission's review of natural gas rules	This case involves the five-year review of the PUCO rules governing the filing requirements and rules that apply to natural gas utility applications for alternative rate plans.
14-1615-GA-AAM	Columbia Gas	Gas pipeline safety	OCC raised concerns that Columbia's 2019 Annual Report and the Staff Report are not compliant with Staff's recommendations and the PUCO's directives in its 2014 Order. The gas explosions on Columbia's system in Massachusetts in mid-September 2018 have heightened concerns about pipeline safety for consumers in Ohio.
13-2164-GA-CRS	Verde	Marketer request to continue to serve Ohioans	Verde Energy seeks to renew its application for certification to be a natural gas supplier in Ohio and expand its service to customers in the Dayton area. OCC has opposed this Marketer's renewal application.

Gas & Electric Cases at the Public Utilities Commission of Ohio

19-2153-GE-COI	PALMco	Customer complaints regarding energy marketing	The PUCO Staff requested that the PUCO open a second investigation regarding the "unconscionable" rates PALMco changed to Ohio electric and gas customers. This second investigation was undertaken while PALMco was already under investigation by the PUCO.
19-1873-GE-AAM	Duke Energy	Accounting for pension costs	The PUCO Staff reviewed Duke Energy's application to defer electric and gas pension expenses it incurred in 2019. To protect Duke's residential electric and gas utility customers, the OCC recommended that the PUCO deny this application.
19-1750-EL-UNC; 19-1751-GE-AAM	Duke Energy	Grid modernization charges to customers	Duke seeks to charge its customers more than \$111 million for four new grid modernization projects. This is in addition to \$486 million that Duke is already charging customers to replace its current smart grid with a new smartGrid. OCC is reviewing proposed projects and charges.
19-1593-GE-UNC	Duke Energy	Customer bill format	Duke proposed a new bill format affecting what customers see on their bills. OCC commented that Duke's format initially violated the PUCO rules. The PUCO suspended this application. Duke updated its filing requesting waivers for its rule violations. The PUCO granted the waivers and approved the bill format change.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
19-0958-GE-COI	Verde	PUCO investigation of retail energy marketing practices	The PUCO Staff investigated numerous customer complaints about Verde's marketing of electricity and natural gas to Ohioans. OCC advocated that the PUCO should revoke Verde's authority to market service in Ohio. The PUCO approved a settlement reached by Verde and the PUCO Staff, but opposed by OCC.
19-0957-GE-COI	Gas & Electric	PUCO investigation of retail energy marketing practices	The PUCO Staff investigated numerous customer complaints about PALMco's marketing of electricity and natural gas to Ohioans. The PUCO approved a settlement reached by PALMco and the PUCO Staff, that was opposed by OCC.
18-0604-GE-WVR	Constellation	Use of the Internet to market utility services to customers	Constellation seeks to short cut consumer protections adopted by the PUCO that require independent proof of consumers' consent to change service providers. Constellation wants to enroll customers through on-line chat technology.
18-0382-GE-WVR	Direct Energy	Marketing of utility services to customers	Direct Energy seeks to diminish the consumer protection of a telephone call to an independent third-party for verification. Instead Duke proposes electronic verification of consumers' changes to their utility service provider.
18-0372-GA-WVR; 18-0371-EL-WVR	AEP Energy	Marketing of utility services to customers	PUCO Rules Waiver Request: Waiver of consumer protection requiring a door-to-door solicitation be verified through a phone call to an independent third-party.
17-2089-GE-COI	Duke Energy	Service disconnection practices	This case is about disconnection of Duke Energy Ohio consumers' electric and natural gas services, an issue of great significance for Ohioans'. An approved settlement signed by the OCC and others, significantly improves customer protections in Duke's disconnection practices and policies and helps restore the consumer protections guaranteed by Ohio law.
Other Cases at the Public Utilities Commission of Ohio			
19-0052-AU-ORD	All Utilities	Commission review of low-income payment plans	PUCO five-year review of the PUCO's rules under which low-income consumers can re-enter the percentage of income payment plan. (PIPP) and the circumstances that allow these customers to maintain their gas and/or electric service should be clarified for consumer protection.
18-0278-AU-ORD	All Utilities	Customer complaint rules	PUCO five-year review of the PUCO rules regarding complaints.
18-0277-AU-ORD	All Utilities	Open meetings	PUCO five-year review of the PUCO rules regarding open meetings.
18-0276-AU-ORD	All Utilities	Rules for utility tariffs	PUCO five-year review of the PUCO rules regarding utility tariffs, OCC has advocated that all utility tariffs should contain refund language to protect consumers in the event a utility's charge is later determined to be unlawful.

2019 Case Activity

Case Number	Utility	Issue	Consumer Impact
18-0275-AU-ORD	All Utilities	Rules of practice	PUCO five-year review of the PUCO Rules regarding practice and procedures.
Cases at the Federal Energy Regulatory Commission			
FERC EC19-123-000	FirstEnergy Solutions	Bankruptcy - power plant subsidy charges	OCC intervened to protect Ohio consumers from paying increased rates as a result of reorganization and debts that may be discharged under FirstEnergy Solutions' bankruptcy. The primary issue for consumers was FirstEnergy's Solutions' request to not pay for OVEC power plants.
FERC E19-58	PJM	Transmission costs	This case involves proposed changes to PJM's energy and reserve markets including proposed revisions to its Open Access Transmission Tariff and Amended and Restated Operating Agreement.
FERC EL19-47	IMM vs. PJM	Wholesale energy market rules and complaints	This proceeding concerns a complaint made by the Independent Market Monitor for PJM requesting that FERC direct PJM to revise the competitive wholesale capacity market auction rules. Ohio consumers may be affected by the outcome of this proceeding. OCC also supported the Market Monitor's right to file a complaint at FERC regarding PJM, which PJM was opposing.
FERC RM19-15-000; AD16-16-000	NOPR	Wholesale energy market issues	OCC recommended that FERC should protect consumers by requiring that all Qualifying Facilities and Distributed Energy Resources in restructured states, such as Ohio, have unrestricted and non-discriminatory access to wholesale energy markets. Such unrestricted access is important for consumers who rely on the competitive markets to deliver lower generation prices and higher innovation.
FERC PL19-300	PJM	Transmission costs	FERC is seeking comments on possible improvements to its electric transmission incentives policy. Consumers should not be required to continue paying incentives to transmission utilities for projects that are either already required or economically feasible. Consumers also should not be required to continue paying higher rates to encourage utility membership in PJM.
Case at the U.S. Court of Appeals for the Sixth Circuit			
18-314	FirstEnergy Solutions	Appeal of bankruptcy - power plant subsidy	FirstEnergy Solutions, a marketer and affiliate of FirstEnergy, filed for bankruptcy in 2018. FES attempted to avoid its obligations related to the Ohio Valley Electric Corporation, which could push additional power plant costs onto Ohio consumers.
Case at the Bankruptcy Court of Northern District of Ohio			
18-50757	FirstEnergy Solutions	Bankruptcy - power plant subsidy	FirstEnergy Solutions, a marketer and affiliate of FirstEnergy, filed for bankruptcy in 2018. FES attempted to avoid its obligations related to the Ohio Valley Electric Corporation, which could push power plant costs on to Ohio consumers.

**\$14.7 Billion
Charged to Customers
(2000 - 2019)**

SUBSIDY SCORECARD

**\$1.7 Billion Projected
Charges to Customers
(2020 - 2030)**

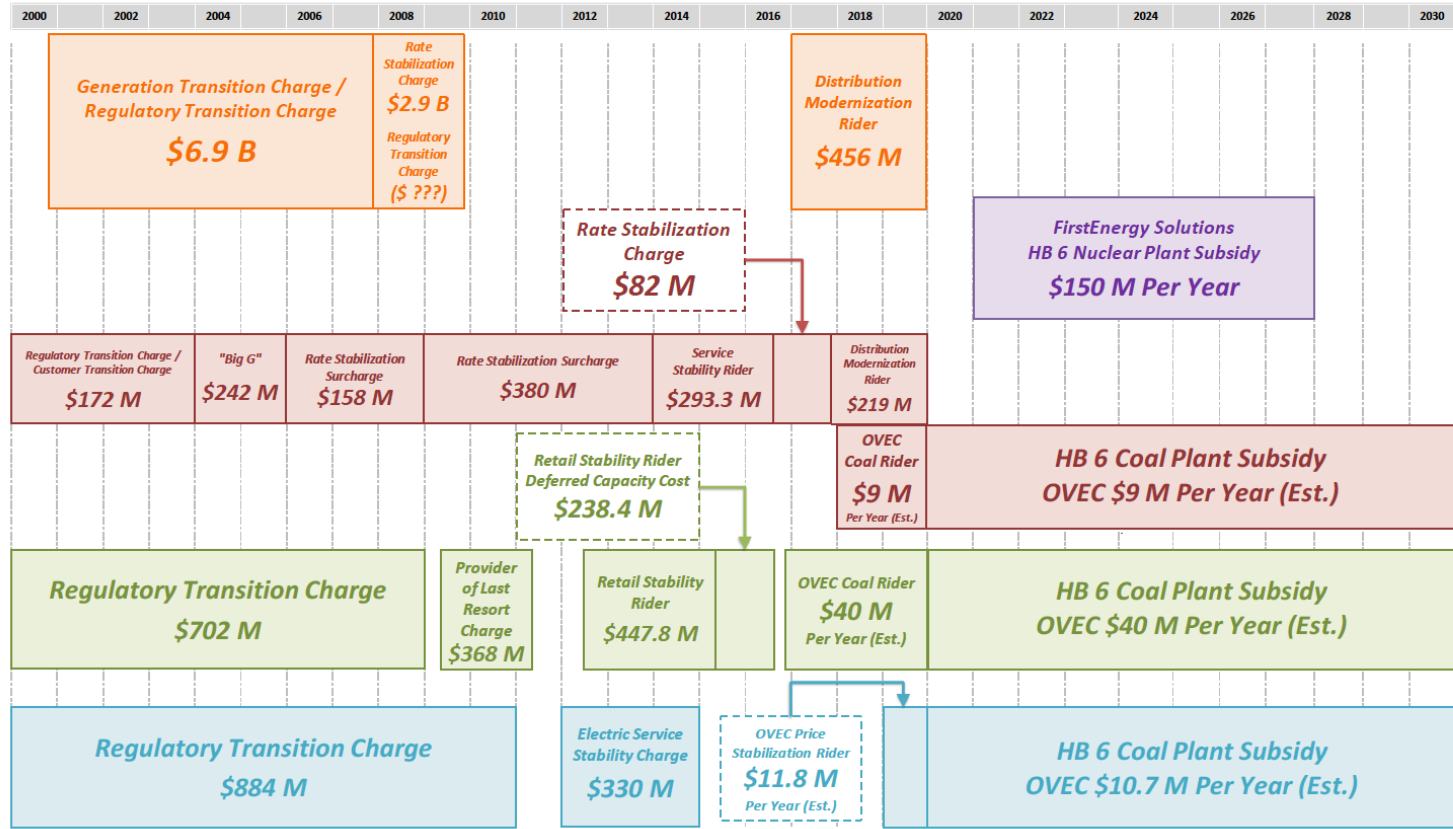
- ELECTRICITY CHARGES TO OHIOANS -

FIRSTENERGY
\$10.2 Billion

DP&L
\$1.5 Billion

REP
\$1.8 Billion

DUKE
\$1.2 Billion



B=Billions; M=Millions

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