



**MINUTES OF THE  
THREE HUNDRED AND SIXTY-THIRD MEETING  
OF THE OHIO CONSUMERS' COUNSEL GOVERNING BOARD  
May 19, 2015**

Members Present: Gene Krebs, Chairman  
Susheela Suguness, Vice Chair  
Jason Clark  
Frederick Cooke  
Roland Taylor  
Fred Yoder  
Stuart Young

Members Absent: Mike Watkins  
Sally Hughes

Guests: Andre Porter, PUCO Chairman  
Daniel Trombley, Plug Smart

**CALL TO ORDER**

Chairman Krebs called the meeting to order at 9:14 a.m. He greeted those in attendance and invited members to join him for lunch at the Statehouse at the conclusion of the meeting.

**APPROVAL OF MINUTES**

Chairman Krebs requested a Motion to approve the meeting minutes of March 17, 2015. Mr. Yoder made a motion to approve the minutes. The motion was seconded by Mr. Young, without any changes. Ms. Edwards called the roll and the minutes were approved unanimously.

**NEW EMPLOYEES**

Deputy Sauer introduced William Michael, Assistant Consumers' Counsel. Deputy Sauer also announced OCC's two new Legal Interns; Ari Witkes and Eric Lundgren.

**RECOGNITION BY THE CONSUMERS' COUNSEL**

Consumers' Counsel Weston recognized Laurie Knight as recipient of OCC's Employee of the Year Award for 2014. He expressed an appreciation for her contribution to the agency as a public servant. The members extended their congratulations as well.

### **CONSUMERS' COUNSEL'S REPORT:**

Consumers' Counsel Weston shared with members of the Board that he was invited by Chairman Tim Schaffer to appear before the House Public Utilities Committee, on May 6, 2015. The Committee Chairman asked for a presentation on the role of the Ohio Consumers' Counsel. Mr. Weston included in his Committee testimony two charts at the request of Chairman Krebs.

The first chart showed 2014 residential electric rates by state. The members discussed concerns with Ohio being ranked 33rd (meaning 32 states had lower residential electric rates). The data came from the U.S. Energy Information Administration's (EIA) analysis of residential electric costs.

The second chart showed residential electric prices for restructured states, with the incremental price changes from 2008 through 2014. Ohio had the highest increase.

After much discussion Mr. Yoder asked what could be done about Ohio's electric rates. Chairman Krebs stated that "Mr. Weston has been discussing these issues with members of the legislature." The Chairman also commented that he had heard from some Committee Members, regarding Mr. Weston's testimony before the House Public Utilities Committee, "as to what a good job he [Mr. Weston] was doing...."

The general consensus was that the testimony charts reflect the need for efforts to reduce electric rates. Mr. Young wondered if there could be a correlation between increasing electric rates and term limits imposed on the General Assembly. Chairman Krebs suggested a research intern examine regression analysis of cost of electricity with term limits.

Mr. Clark inquired about the relative position of Ohio businesses on a chart comparable to the residential chart. Mr. Weston recollected that the nonresidential electric costs were higher (meaning lower rates) on the chart than the residential costs. But he stated he would need to confirm that with the data. Chairman Krebs requested that to be a follow-up chart.

The charts depict a state-wide average, and Chairman Krebs discussed how the data might be disaggregated or unbundled to show the information by the various Ohio electric utilities.

Further discussions involved the Governing Board's interest in OCC participating in county and state fairs to promote consumer education.

### **PRESENTATION BY MONICA HUNYADI:**

Ms. Hunyadi gave a brief presentation on summer fairs and shows in Ohio. She presented to the Board members a list of 8 fairs where OCC would be participating. The list consisted of the following fairs: Darke County (250,000 attendees), Hocking County, Hartford County (220,000 attendees), Perry County, Ohio State Fair, and Farm Science Review. She added that, currently, OCC is waiting to receive confirmation from Hancock and Fairfield County fairs. Ms. Hunyadi also noted that OCC is broadening its reach, with goals to educate more consumers.

**GUESTS:**

**ANDRE PORTER, CHAIRMAN  
PUBLIC UTILITIES COMMISSION OF OHIO:**

Consumers' Counsel Weston introduced PUCO Chairman Andre Porter to the Governing Board. Mr. Porter talked briefly about ways to secure that utilities are contributing to a growing state, economically. He noted his priority energy concerns as cost, adequacy, reliability, and safety. And he further expressed the value of being fair and transparent. Mr. Porter also stated that he values working collaboratively with the OCC and would like to focus on broader-based issues with a balanced approach. He further expressed that he was looking forward to having future dialogue with the OCC.

Governing Board Chairman Krebs began discussions about the 2014 residential electric rates by state and commented that Ohio tends to be a high-cost state for residential utility consumers. He asked what could be done to improve the state's rates as we move forward. Mr. Porter expressed an interest in knowing what's driving Ohio's cost. He stated that it may be better to understand generation rates and all the costs that are included. Mr. Porter spoke on an evolutionary movement approach, being mindful of the burden at a lower income.

Mr. Porter asked if there were any discussions on telecommunications. Mr. Weston talked about HB 64 (withdrawal of basic local telephone service) and his testimony to the House and Senate subcommittees. Mr. Weston added that during his testimony he thanked the Governor and the House for improvements in the language. Mr. Weston also made recommendations for additional improvements to involve an application process for requests to withdraw phone service, instead of a process where the utility merely gives notice to the PUCO. He noted that the PUCO should have full discretion in hearing these matters. Mr. Weston also mentioned a pending recommendation for the PUCO to study consumer protections. Chairman Krebs stated that technology is affecting the model and referenced a lack of cellphone service in many areas of the state. Mr. Porter expressed his interest in working through the collaborative process and committed that there would not be a transition until there is certainty that competitive service will be provided.

~MEETING BREAK~

**PRESENTATION FOR PLUG SMART – BY DANIEL TROMBLEY:**

After returning from break, Consumers’ Counsel Weston introduced Daniel Trombley, Energy Engineer with Plug Smart. Mr. Weston gave a brief overview of Mr. Trombley’s background.

Mr. Trombley explained Plug Smart is a “one stop shop” for businesses looking to improve energy efficiency in the area of utility and consumer relationship. Mr. Trombley stated that from an energy usage standpoint, it traditionally has been a one-way relationship. He added that in current relationships, the utility generates and distributes electricity to the consumer. However, the industry relationships are evolving due to utilizing load management equipment and allowing the end-use consumer to have more control over usage. Furthermore, the progressive technology makes way for new utility consumer relationships.

Mr. Trombley gave an overview of the Tesla Company. He shared that Tesla is an electric car manufacturer that makes high-end all-electric cars. He also gave a preview of the Tesla battery and highlighted its benefits for residential energy use. He added that the Tesla battery is being sold through SolarCity (which is a sister company of Tesla). Mr. Trombley noted that Tesla is working on a power wall. It is a distributed generation product that consists of a 10 KW energy storage device for residential and small commercial consumer applications. Mr. Weston connected Mr. Trombley’s presentation to the OCC Vision.

**PRESENTATION ON RESELLING/SUBMETERING OF UTILITY SERVICES TO CUSTOMERS – BY MR. WESTON:**

The issue is about protecting consumers from the reselling of utility services to tenants of apartments and condominiums. Mr. Weston explained that some residents are paying markups of 5% to 40% when landlords resell utility services (electric and water), according to a news story. Mr. Weston noted that it is a niche market where the consumers do not have price protection from the PUCO or an opportunity to take advantage of the competitive market.

The OCC has been very involved in the legislative process, including HB 662 at the end of the year. HB 662 (which created protections for consumers of resold utility services) was approved by the House Public Utilities Committee in 2014.

Mr. Weston stated that recently a consumer complaint was filed at the PUCO against Nationwide Energy Partners, LLC (NEP). OCC has intervened in that consumer complaint case. The consumer’s complaint allegations include:

- NEP knowingly engages in the business of a public utility conducting business contrary to the law.

- NEP knowingly engages in the business of providing competitive retail electric service and conducting business contrary to the law.
- NEP provides services that are unreasonable, unjust, unfair, discriminatory, and contrary to the law.

A draft Resolution was then discussed for the Board's consideration, for consumer protection. Chairman Krebs read the draft Resolution in support of consumer protections related to the reselling and submetering of public utility services. Chairman Krebs asked if the Board would like to pass the resolution.

The members briefly discussed the Resolution. Some questions were raised about whether the description of the providers that charge the higher rates to consumers includes companies beyond the ones involved in this issue.

It was decided that the Resolution will be tabled until the next meeting. OCC Staff will present updated language to be considered at the next meeting.

**OCC BUDGET – PRESENTED BY MR. WESTON:**

OCC's budget testimony addressed three matters: 1st, the agency's budget; 2nd, the potential withdrawal of basic local telephone service (in the budget bill); 3rd, the restoration of OCC's authority to assist Ohio consumers with their complaint calls. This authority was withdrawn from the law in 2011. Incidentally, OCC is not seeking a budget increase nor is it seeking to re-establish a call center. The proposed change was not included in the House-passed version of the budget bill. The budget has moved to the Senate, and there, OCC is continuing to work on the matter to seek inclusion of the language in the Senate version of the budget bill.

**RECENT DECISIONS – PRESENTED BY MR. WESTON:**

The PUCO decided the cases containing the issues of the Duke and AEP Power Purchase Agreements (PPA). The PUCO set the PPA Rider rates at \$0, but provided something of a roadmap for future considerations.

**CLOSING COMMENTS, BY CHAIRMAN KREBS:**

The next Governing Board meeting is scheduled for July 21, 2015.

Chairman Krebs commented that a healthier workforce is a more productive workforce. He encouraged being mindful of eating healthy, exercising, and resting.

With no further business, the meeting adjourned at 12:24 p.m.

I verify that the above meeting minutes have been approved and ratified by the OCC Governing Board on this 21 st day of July, 2015.

  
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Gene Krebs, Chairman  
Ohio Consumers' Counsel Governing Board

  
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Mary V. Edwards, Acting Secretary  
Ohio Consumers' Counsel Governing Board