



Office of the Ohio Consumers' Counsel

MINUTES OF THE OFFICE OF THE OHIO CONSUMERS' COUNSEL GOVERNING BOARD

NOVEMBER 20, 2018

Members Present: Mr. Michael Watkins, Chair
Mr. Stuart Young, Vice-Chair
Mr. Fred Cooke
Ms. Beverlyn Johns
Ms. Kelly Moore
Mr. Douglas Moormann
Mr. Roland "Butch" Taylor
Ms. Andra Troyer
Mr. David Wondolowski

CALL TO ORDER BY CHAIR:

Chair Watkins called the meeting to order. at approximately 10:10 A.M. Ms. Hunyadi called the roll.

GUEST SPEAKER MIKE DEWINE, OHIO ATTORNEY GENERAL AND OHIO GOVERNOR-ELECT:

Chair Watkins welcomed Mr. DeWine. The Board members introduced themselves and expressed their appreciation to Mr. DeWine for appointing them to serve Ohioans on the OCC Governing Board. Consumers' Counsel Weston thanked Mr. DeWine for the support given to the OCC as a client agency of the Attorney General. And Mr. Weston expressed his appreciation to Mr. DeWine for administering his oath of office as the fourth Consumers' Counsel (and for the kindness of sending a hand-written letter of congratulations to Mr. Weston's Mother who was unable to attend).

Mr. DeWine offered remarks and extended his appreciation to the Board for their hard work in public service and for dealing with a complex topic that most people do not understand. He encouraged the Board to reach out to him as he is open to ideas and suggestions to consider when he is governor.

GUEST SPEAKER RICHARD MUNSON, ENVIRONMENTAL DEFENSE FUND:

Deputy Consumers' Counsel Larry Sauer introduced Mr. Munson. In addition to serving as Senior Director with the Environmental Defense Fund, Mr. Munson is also an author. He discussed his recent book, a biography of Nikola Tesla, titled "Tesla: Inventor of the Modern."

Mr. Munson said Mr. Tesla was an early influencer of electricity from its beginnings and, even then, was concerned with green energy. Mr. Tesla was an inventor and held 300 patents. Today we rely on numerous inventions from him. One of his ideas was alternating current. Working with Thomas Edison they were able to capture the power of Niagara Falls and send it from Buffalo to New York City. Mr. Tesla also invented a teleautomaton (later known as relating to robotics).

Throughout his career he worked tirelessly to bring improvements to the lives of people around the world.

Mr. Munson was thanked for his interesting presentation.

MEETING MINUTES:

Chair Watkins asked for a motion to approve the minutes from the September 11, 2018 Board meeting. A motion was made by Mr. Moormann to approve the minutes. The motion was seconded by Mr. Young. Ms. Hunyadi called the roll. The September 11, 2018 Board meeting minutes were approved unanimously.

RECOGNITION:

Consumers' Counsel Bruce Weston shared with the Board that former Board Chair Gene Krebs co-authored a book titled "Bridges Across Every Divide." The book discusses ways to break the stranglehold of multi-generational poverty.

Mr. Weston recognized Terry Etter, Assistant Consumers' Counsel, as the Employee of the Quarter for the 2nd quarter of 2018. Mr. Etter joined OCC in 1997. In recent years, Mr. Etter has sought legislative and regulatory protections for consumers of submeterers (resellers) of utility services, among other consumer advocacy.

Mr. Sauer introduced new employee Ambrosia Logsdon who has joined OCC as a staff Attorney in November 2018. Ms. Logsdon worked in public service at the PUCO for 13 years. There, she served in various roles including work in the PUCO's Service Monitoring and Enforcement Department on issues affecting Ohio consumers. Ms. Logsdon earned her Bachelor of Science degree in Communications, with a focus in Telecommunications and Networking, and her master's degree in Communication Technology and Policy from Ohio University. She earned her Juris Doctorate from Capital University Law School.

Dan Shields, Director of Analytical Services, introduced Kerry Adkins. Mr. Adkins recently joined the OCC as a Senior Regulatory Analyst. Mr. Adkins has more than 29 years of experience in 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. Mr. Adkins has a bachelor's degree in History from Ohio Northern University and a Master of Public Administration degree from Ohio State University.

Mr. Sauer next introduced the new legal intern Kyrah Jackson. Ms. Jackson is a second-year law student at Capital University Law School with plans to graduate in May 2020. She received her undergraduate degrees in Political Science and Psychology from Elmira College (in New York State).

Chief of Staff – Non-Case Services Monica Hunyadi introduced two new interns in the Public Affairs Department. Julia Jones is a student at The Ohio State University, pursuing a bachelor's degree in Political Science with a minor in Women and Gender Sexuality Studies. Ms. Jones plans to graduate in May 2019 and attend graduate school for Education Policy. Natalie Hurst is a student at The Ohio State University, pursuing a bachelor's degree in Public Policy with a Molecular Genetics minor. Ms. Hurst plans to graduate in May 2019.

LEGISLATIVE NOTEBOOK:

Mr. Weston opened the discussion on the OCC Legislative Notebook (that was created a couple years ago at the direction of the Board). OCC staff have prepared a list of proposed changes to the notebook. Molly McGuire, OCC Public Affairs and Legislative Specialist, discussed a reordering of the contents of the notebook for ease of understanding for legislators and their staffs. The notebook reorganization includes creating sections for each industry. Mr. Weston asked for Board thoughts and suggestions on the proposed changes. After Board member discussion of alternatives, it was concluded to provide the legislative notebook to legislators on the relevant House and Senate committees. Also, the notebook will be made available online in a searchable PDF. And OCC will create flyers to provide basic information and updates.

PRESENTATION BY DEPUTY CONSUMERS' COUNSEL SAUER:

Mr. Sauer provided an update on the federal tax cuts, effective January 1, 2018, which reduced the corporate income tax rate for Ohio utilities. OCC has been advocating for a prompt and full return of the tax savings for the benefit of consumers. AEP reached a settlement to return the tax savings they've realized through the tax cuts. AEP filed a case in June 2018 specifically targeting a return of those benefits to consumers. A settlement was filed in September. OCC negotiated and signed the settlement with several other parties, and consumers will receive \$541 million in tax savings.

Mr. Sauer then discussed a settlement affecting Columbia Gas and its consumers. Columbia Gas filed a capital expenditure program with the ability to collect on investments they made between 2011 and 2017, in an October 2017 filing. In October 2018, OCC filed objections to the PUCO staff's report, raising the issue that staff had failed to recognize and to try to return to consumers the benefits from the tax cuts. A settlement was negotiated and filed by OCC and others that would enable the tax cut benefits to be passed pack to consumers. This totals about \$284 million in tax savings for consumers.

PRESENTATION BY JIM WILLIAMS, SR. UTILITY CONSUMER POLICY ANALYST:

Mr. Williams' presentation titled "Living Without Power" addressed the issue of the impact on health from energy insecurity. He referred to a 2018 study conducted in California by TURN, The Utility Reform Network, which illustrates the impact of utility disconnection when customers lose access to their utilities. Mr. Williams said that, while the study was done in California, it also relates to consumer issues in the state of Ohio and the work of the OCC.

Mr. Williams said the study was unique in that it used data collected on state utility disconnections and public health data. Researchers from TURN analyzed the data, sorted by zip codes, to look at the number of disconnections across the state of California. They were able to reach certain conclusions based on the number of disconnections in an area in relation to hunger, early childhood health and development, life-support and chronic illness, heat and fire risks, stress, and respiratory illness. One of the most frequent issues is that customers end up making a trade off in determining whether to pay for food and other necessities or utilities. In Ohio, 420,000 consumers had their utilities disconnected last year.

Also, Mr. Williams referenced an article from the Wall Street Journal about Nelsonville, Ohio. The article highlights the reality and impact many customers are facing every day who have to choose between food and medical necessities versus paying for utility services.

BOARD MEETING DATES FOR 2019:

The Board meeting schedule for 2019 was proposed as follows:

January 15, 2019

March 19, 2019

May 21, 2019

July 16, 2019

September 17, 2019

November 19, 2019

A motion to approve the schedule was made by Mr. Wondolowski. The motion was seconded by Ms. Moore. Ms. Hunyadi called the roll and the schedule was approved unanimously.

2018 ETHICS TRAINING:

The Board was reminded of the state's requirement (Executive Order) for state personnel to have annual ethics training by December 31, 2018. Mr. Sauer will send web links to the Board for the available on-line ethics training programs.

PRESENTATION BY CONSUMERS' COUNSEL BRUCE WESTON:

Mr. Weston mentioned a recent Wall Street Journal editorial from November 18th titled *A Green Logrolling Classic*. The editorial explains how consumers in Virginia are going to pay more than the market price of electricity due to the requirement that there be in-state renewable generation. He is bringing this to the attention of the Board due to a recent AEP filing with the PUCO which will affect 1.5 million consumers. AEP has asked the PUCO to approve a subsidy charge to consumers for renewable energy power plants that it wants to develop under state regulation. But in 1999, deregulation of power plants became the law of Ohio. Thus, OCC's view under Ohio law is that power plants in Ohio should be developed by competitors operating in the market.

Mr. Weston then discussed Sen. Beagle's comments in an article from Gongwer regarding H.B. 402. This bill would allow for elimination of limits on price increases, in as soon as four years, for the most basic type of wired telephone service. OCC is appreciative of Sen. Beagle's comments that he is interested in discussing OCC's concerns with this bill. OCC did submit to legislators the Board's resolution recommending this bill not be passed and testified three times in the House on this legislation. The bill was passed by the House and is now pending in the Senate. OCC anticipates testifying in the Senate with a consumer protection recommendation to significantly amend this legislation or to not enact this legislation.

Mr. Weston brought attention to another Gongwer article addressing Sen. Bacon's legislation, S.B. 157, regarding submetering (reselling) of utility services to consumers. OCC has been invited by Senate leadership to participate in a process toward an effort to find a compromise between consumers and submeterers. OCC remains committed to working with the bill sponsor and Senate leadership to try to secure consumer protections regarding submetering.

Mr. Weston referred to the fiscal report and said OCC has committed approximately \$2.2 million, 39%, of the total budget of \$5.5 million.

Mr. Young asked what, if anything, is likely to happen in the next six weeks in the Legislature. Mr. Weston replied that concerns include H.B. 422. This bill would allow water utilities to charge consumers more than current law would allow. OCC testified against this bill. H.B. 114, with changes addressing energy efficiency and renewables, is also pending in the Senate. Mr. Weston also said there are bills in the House and Senate to protect consumers from Caller ID spoofing.

2019 FAIR DATES: MONICA HUNYADI, CHIEF OF STAFF – NON-CASE SERVICES:

Ms. Hunyadi said planning is underway for the 2019 fair season and asked Board members for ideas and suggestions on ways to extend the OCC reach to consumers.

Ms. Troyer made a motion to adjourn the meeting. It was seconded by Mr. Wondolowski. The motion was unanimously approved.

The meeting adjourned at approximately 12:30 P.M.

I verify that the above meeting minutes have been approved and ratified by the Consumers' Counsel Governing Board on January 15, 2019.



Michael Watkins, Chair
Ohio Consumers' Counsel Governing Board



Monica Hunyadi, Interim Secretary
Ohio Consumers' Counsel Governing Board