

Before The Ohio House of Representatives Public Utilities Committee

Testimony on Consumer Protections Related to Master-Metering, Submetering and Reselling of Public Utility Services Amended House Bill 662

By
Bruce Weston
Ohio Consumers' Counsel
Office of the Ohio Consumers' Counsel
(Testifying as an Interested Party)

December 17, 2014

Chairman Stautberg, Vice Chair Roegner, Ranking Member Williams, and members of the House Public Utilities Committee, I am Bruce Weston, the Ohio Consumers' Counsel. Thank you for this opportunity to testify with recommendations for consumer protection. The Office of the Ohio Consumers' Counsel is the state advocate for Ohioans regarding their residential electric, natural gas, telephone, and water services.

Thank you, Chairman and Members, for your time and ideas in trying to create balance between consumers of resold utility services and providers of those services. These providers operate in a niche where the usual protections of regulation and the competitive market are missing for consumers. These consumers lack, but need, basic price protections that are available to Ohioans who buy service directly from public utilities and other providers. In my December 2nd testimony, I described seven principles for legislation to protect customers of resold utility services.

With these concerns in mind, I applaud the Chairman's efforts with this bill to move the ball farther down the field for consumers and their protection. Also, I understand that you are considering additional amendments today, for enhancing consumer protection in the bill. Thank you for those considerations.

It is my hope that passing the bill in Committee today, if you do that, will serve as momentum for this issue into next year. Building on this momentum, a new bill can be introduced in the New Year and in the next General Assembly. Then, with more time for deliberation, there is the opportunity for the new bill next year to include additional consumer protections—all toward enacting a law that is much needed by Ohioans. This bill is one approach—a largely non-regulatory approach—to consumer protection. There also are other approaches or frameworks that could be considered going forward, as well. Various approaches, if drafted with the needed consumer protections, could provide the kind of protection that these consumers deserve and that other consumers already have. I stand ready to work with Members on these issues.

Finally, Ohioans' need for this law may be increasing, as new construction of apartments increases the potential for more reselling of utility services. In this regard, the residential rates in Ohio are, on average, higher than the rates in 29 other states (according to the U.S. Energy Information Administration). That ranking might be yet much worse if it were calculated for Ohioans who purchase higher-priced resold utility services.

Thank you again for your consideration of this issue affecting Ohioans. And, in closing, I appreciate your time and effort over the last two years of this General Assembly to consider consumer perspectives on utility issues that affect four million Ohio households. Best wishes to you all for the New Year.