



**MINUTES OF THE
TWO HUNDRED EIGHTY-FIRST MEETING
OF THE OHIO CONSUMERS' COUNSEL GOVERNING BOARD
July 20, 2010**

Members Present: Gene Krebs
Dorothy Leslie
Joe Logan
John Moliterno
Anthony Peto
Roger Wise

Members Absent: David McCall
Jerome Solove
Karen Osterfeld

Guests: Michael Schuler, Attorney General's Office

CALL TO ORDER

Vice Chairman Moliterno called the meeting to order at 9:10 a.m.

APPROVAL OF THE MINUTES

The minutes from the May 18, 2010 meeting were approved. Vice Chairman Moliterno abstained.

CONSUMERS' COUNSEL REPORT

Ms. Migden Ostrander introduced new employees. They are:
Anitra Wheeler, Consumer Services Division
Justine Wasmus, Operations Department

Ms. Migden-Ostrander reported that the telecom bill passed and that Mr. Bergmann will give a report on it later in the meeting.

Mr. Bruce Weston has been named Chair of the Ohio State Bar Association's Public Utilities Committee.

OCC received the Bronze Quill Award from the Columbus Chapter of International Business Communicators for our 2008 Annual Report. Congratulations to Beth Gianforcaro and the Communications Department.

Ms. Migden-Ostrander has been asked to speak at the International Agency on SmartGrid, US Department of Energy Groups. Most recently, Ms. Migden-Ostrander spoke at the Ontario Energy Board's Five O'Clock Forum about how we handle low-income issues.

The NASUCA meeting was held in June and three resolutions were passed on transmission planning, credit reporting and lifeline protection.

Duke will be moving to PJM along with FirstEnergy. OCC will review their applications.

The OCEA Group held a retreat to discuss what we have accomplished, how the coalition is working, and what our expectations for the future are.

RESOLUTIONS

Resolutions honoring Terry Orahod and Patricia Tanner for their service to OCC were introduced for Governing Board approval. Mrs. Leslie moved to approve the Resolution for Terry Orahod, Mr. Logan seconded the motion. The motion passed unanimously.

Mr. Krebs moved to approve the Resolution for Patricia Tanner, Mr. Wise seconded the motion. The motion passed unanimously.

CASE OUTCOMES

FirstEnergy's Request for Approval of Smart Grid Program and Cost Recovery, PUCO Case No. 09-1820-EL-ATA, 09-1821-EL-GRD, 09-1822-EL-EEC, 09-1823-EL-AAM

OCC recommended that the PUCO conduct a sufficient review of FirstEnergy's proposal to determine if its costs were prudent and properly accounted for as a condition to it asking for recovery from residential consumers.

The PUCO's Finding and Order approved FirstEnergy's modified proposal in which the company agreed among other things, to create a database of customer-specific monetary interruption data and keep all accounting records for the pilot program separate.

Duke's Request for Cost Recovery for the Implementation of Electric Residential DSM Programs, PUCO Case No. 09-283-EL-RDR

OCC concurred with the settlement provisions related to demand side management program cost recovery associated with the period from July 1, 2008 through December 31, 2008. OCC did not sign the settlement.

In its Order the PUCO's decision was consistent with OCC's position where the PUCO stated that Duke had not completed the necessary filings to conform its ESP to the PUCO's rules and orders. Duke must fulfill the requirements to conform future cost recovery requests to the PUCO's rules.

PUCO Staff Investigation of Dominion East Ohio's Compliance with Gas Pipeline Safety Standards, PUCO Case No. 10-105-GA-GPS

OCC sought to improve the settlement between the PUCO Staff and Dominion, asserting that it is not in the best interest of Dominion's residential customers. Dominion could not demonstrate compliance with state and federal safety requirements.

The PUCO approved the settlement, and declared that the agreement between the PUCO Staff and Dominion was a reasonable solution. OCC's motion to hold the agreement in abeyance and establish a procedural schedule was denied.

NEW CASES

Dominion East Ohio – Pipeline Infrastructure Replacement Rider, PUCO Case No. 10-733-GA-RDR

Dominion filed its request, May 28, 2010 asking for an annual adjustment to its PIR rider rates for costs incurred from July 1, 2009 to June 30, 2010.

Duke Peak Time Rebates, PUCO Case No. 10-455-EL-ATA

Duke filed its request on May 14, 2010. Duke improperly characterized the Peak Time Rebate Rate in its application when it claimed that "customers who do not take proper advantage of the rate may see a bill increase."

Duke Significantly Excessive Earnings Test, PUCO Case No. 10-656-EL-UNC

Duke filed this request May 14, 2010. The issue in this case is whether Duke Energy had significantly excessive earnings" in 2009 as a result of their approved electric security plan. This will be the basis for either granting or denying refunds to customers for any excessive rates collected in 2009.

CSP Time of Day and Direct Load Control Rates, PUCO Docket No. 10-424-EL-ATA

The Company filed its application April 1, 2010. Time-of-day rates would differentiate the generation charge for low cost (off-peak) and high cost (peak) periods. The high cost period is 1:00 p.m. to 7:00 p.m. from June 1 to September 30. This is a voluntary, opt-in rate schedule. Under the Direct Load Control Rider, customers would receive billing credits by authorizing the Company to control central electric cooling units.

Duke Advanced Renewable Energy Benchmark Report, PUCO Case No. 10-511-EL-ACP

The Company filed its request April 15, 2010. This issue in this case is that the Commission should not reduce Duke's originally calculated baseline. Duke claims that four factors warrant this reduction:

- The impacts of customer choice, which resulted in significantly increased levels of switching in Duke Energy Ohio's service territory during the year 2009;

- Solar generation facilities within the state of Ohio are few in number, and the corresponding market for SRECS has yet to fully develop;
- Regulatory uncertainty that existed until the commission finalized its rules regarding REC acquisition, registration, metering, and project location; and
- SB 221's failure to include specific mechanisms for utility cost recovery, impeding long term contracts and investments in renewable energy

The Board recessed a 10:25 a.m. and reconvened at 10:50 a.m.

COMMUNICATIONS REPORT

OCC prepared fifteen news releases related to electric, natural gas, telecommunications and water cases.

OCC submitted a letter to the editor of the Akron Beacon Journal in response to an editorial regarding Make the Call.

Outreach and Education gave 62 speeches; 4 train-the-trainer; 118 site visits; 1800 educational materials were mailed to organization; and 5,752 mailings and emails pertaining to Columbia Energy audits, Community Advisory Panel Meetings, and Low-Income Quarterly Letter.

OCC's website had 9,746 visitors in May and June.

OPERATIONS REPORT

Total expenditures including outstanding encumbrances for the full fiscal year were \$7.76 million.

OCC continues to address vacant positions. Two staff members retired in July. The administration manager position has been filled. We have yet to fill the utility rate analyst, a compliance investigator and an outreach and education program specialist.

CONSUMER SERVICES DIVISION REPORT

Analysis of call data shows that 30% of the consumer contacts were related to the natural gas industry, 41% involved the electric industry, 20% involved the telecommunications industry and 3% were related to the water industry. The remaining calls were non-jurisdictional in nature.

LEGISLATIVE REPORT

The telecom bill passed and becomes effective September 15, 2010. This is the biggest re-write ever of Ohio telecommunication law. In the bill all but basic service has been deregulated.

The bill allows a telephone company to increase its rates for basic service upon a showing of two alternatives. All other services become de-tariffed which means rates will not be filed with the PUCO.

EXECUTIVE SESSION

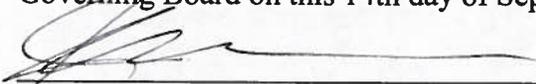
Mrs. Leslie made a motion to enter Executive Session to discuss pending litigation and to conduct the performance evaluations of Mrs. Migden-Ostrander and Mr. Weston. Mr. Wise seconded the motion and Mrs. Knight called the roll. The motion passed unanimously.

Executive Session began at 11:40 a.m.

Executive Session ended at 12:50 p.m.

With no further business the meeting adjourned at 12:55 p.m.

I verify that the above meeting minutes have been approved and ratified by the OCC Governing Board on this 14th day of September, 2010.



John Moliterno, Vice Chair
Ohio Consumers' Counsel Governing Board



Laurie C. Knight, Secretary
Ohio Consumers' Counsel Governing Board