



**MINUTES OF THE
TWO HUNDRED EIGHTY-THIRD MEETING
OF THE OHIO CONSUMERS' COUNSEL GOVERNING BOARD
November 10, 2010**

Members Present: Harold Cassel
Gene Krebs
Dorothy Leslie
Joe Logan
John Moliterno
Anthony Peto
Jerome Solove
Roger Wise

Members Absent:

Guests: Michael Schuler, Attorney General's Office

CALL TO ORDER

Chairman Solove called the meeting to order at 9:06 a.m.

APPROVAL OF THE MINUTES

The minutes of the September 14, 2010 meeting were approved.

CONSUMERS' COUNSEL REPORT

Ms. Migden-Ostrander stated that Mr. Krebs will arrive late to the meeting. The 2011 meeting schedule was reviewed by the Board. It was requested that the Tuesday, September 20 meeting be changed to Wednesday September 21. Mrs. Knight will send the revised schedule to the Board.

New employees were introduced. They are:

- o Radames Torres, Consumer Services Division
- o Beatrice deCourtivron, Consumer Services Division

Employees of the Month were introduced. They are:

- o Melissa Yost, Legal Department (July)
- o Linda Walls-Rominski, Outreach and Education (August)
- o Benjamin Machado, Operations (September)
- o Daniel Duann, Analytical (October)

Chairman Solove thanked them for their dedication and hard work.

Resolutions

Resolutions in honor of Karen Osterfeld, David McCall and Ryan Lippe were introduced for Governing Board approval. Mr. Moliterno moved to approve the Resolution for Karen Osterfeld. Mrs. Leslie seconded the motion. The motion passed unanimously.

Mr. Moliterno moved to approve the Resolution for David McCall. Mr. Peto seconded the motion. The motion passed unanimously.

Mrs. Leslie moved to approve the Resolution for Ryan Lippe. Mr. Moliterno seconded the motion. The motion passed unanimously.

Ms. Migden-Ostrander stated that there remains a vacancy on the board that is expected to be filled by the end of the year.

Ms. Migden-Ostrander reported that she received useful information from the National Coal Council Member meeting she attended last week.

The National Association of State Utility Consumer Advocates will hold its Annual Meeting November 13-17, 2010. Ms. Migden-Ostrander and others from the office will attend.

CASE OUTCOMES

PUCO Winter Reconnect Order and Consideration of OCC Request to Temporarily Suspend PIPP Plus Disconnection Rules, Case Nos. 10-1336-GE-UNC and 08-0723-AU-ORD

OCC requested that the PUCO waive or suspend disconnection rules for electric and natural gas utilities before the revised PIPP Plus program takes effect November 1, 2010.

OCC further asked that the PUCO temporarily suspend the \$10 minimum payment required by the new rules. This requirement is generally for low-income consumers with a monthly income between zero and \$166.50.

The Winter Reconnect Order prevents disconnection of low-income customers who are unable to make a one-time \$175 payment toward their utility bills plus a \$36 reconnection fee.

The PUCO issued its annual Winter Reconnect Order allowing electric and/or natural gas customers to be reconnected or remain connected to their utility service and denied OCC's request for a temporary suspension of the new PIPP disconnection rules.

OCC filed an application for rehearing in this case on October 22, 2010.

Case Summary for Adoption of Telecom Rules to Implement Sub. SB 162, Case No. 10-1010-TP-ORD

Ohioans Protecting Telephone Consumers (OPTC) supported maintaining as many consumer protections in the proposed rules as possible given the constraints of the statute.

Proposed rules provided for notice to OCC of company changes to rates, services and certain aspects of their operations. Other proposed rules require information be provided to PUCO staff rather than filed in a docket.

The PUCO held that all telecommunication and wireless service providers are required to comply with current rules, including lifeline programs, until the proposed rules are adopted.

In addition, the PUCO ruled that OCC will only receive notice of increases to basic rates, "consistent with the special protections afforded BLES under the law." And that notice should not be required in instances that are not "consistent with OCC's role as a consumer advocate."

Discussion ensued regarding the role of a consumer advocate.

NEW CASES

Ohio Power – Early Closure of Sporn Generation Station, Case No. 10-1454-EL-RDR

Ohio Power filed an application on October 1, 2010 seeking approval to shutdown Unit 5 of the Phillip Sporn Generating Station and a plant shutdown rider to be charged to customers.

If approved as filed, residential customers would be responsible for 30.86% of the known incurred costs of \$58.7 million to be recovered over 2011 or three years.

Columbus Southern Power – Significantly Excessive Earning Test ("SEET"), Case No. 10-1261-EL-UNC

Columbus Southern Power maintained that a return on equity of 22.51% is comparable to the same risk group of publicly traded firms and is therefore not excessive.

OCC and coalition members submitted testimony that supported the position that Columbus Southern Power's 2009 earnings were significantly excessive and recommended that up to \$156 million be returned to its customers.

Columbus Southern Power and Ohio Power – Merger, Case No. 10-2376-EL-UNC

Columbus Southern Power and Ohio Power filed for PUCO approval to implement a merger of the two electric utilities. AEP stated that the merger will produce efficiencies and reduce costs and provide the merged company with greater flexibility and, potentially

a more efficient basis for meeting the advanced energy portfolio standards, and the energy efficiency and peak demand reduction requirements.

AEP asked that the Commission to approve the merger within 90 days.

PUCO's Investigation Into Intrastate Carrier Access Reform Pursuant to Senate Bill 162, Case No. 10-2387-TP-COI

This investigation will include a Staff proposal for reductions of intrastate access charge rates for small and medium sized ILECs and CLECs. Reduction would cause a loss of revenue for these carriers and potential in increased rates for residential customers in order for the changes to be revenue neutral as required by the new statute.

The Board recessed at 10:30 a.m. and reconvened at 10:50 a.m.

OCC, Stand Energy Corp., Border Energy, NE Ohio Public Energy Council and Ohio Farm Bureau Federation – Complaint, Case No. 10-2395-GA-CSS

A complaint was filed on October 21, 2010 by Joint Movants which stated that IGS dba Columbia Retail Energy had engaged in marketing, solicitation, sales acts or practices which are unfair, misleading, deceptive, or unconscionable acts.

IGS distributed a solicitation letter to Columbia residential customers. The envelope showed a return address of Columbia Retail Energy.

Duke – Application to Adjust Rider DR-IM, Case No. 10-867-GE-RDR

The Stipulation in the Duke ESP case contained provisions to create a rider to recover costs for SmartGrid deployment on a cost-per-meter basis.

The Stipulation specified that 85% of the revenue requirement is allocable to residential customers due in part to the volume of residential customers and the remaining 15% is allocable to non-residential customers.

COMMUNICATIONS REPORT

Over the last two months, OCC prepared 14 news releases related to electric, natural gas, telecommunications and water cases; 1 consumer alert; 1 letter to the editor; 62 fact sheets and 2 newsletters.

Outreach and Education gave 95 speeches; 24 train-the-trainer; 80 site visits; 1800 educational materials were mailed to organizations; and 19,790 mailings and emails.

OCC's website had 11,147 visitors in September and October.

The Communications Department has created several new publications which include:

- o Maps with County Data
- o Stay Connected

- Solar Handbook
- PIPP Plus Fact Sheet

NEW PERCENTAGE OF INCOME PAYMENT PLAN (PIPP PLUS)

The percentage of income payment plan was created by the PUCO in 1983 for eligible customers to pay a percentage of their monthly income towards electric and natural gas bills.

The PUCO has jurisdiction over gas PIPP and the Ohio Department of Development administers electric PIPP.

Changes to the PIPP Plan were needed due to among other things, the increased number of customers enrolled. There has been a 33% increase in just the last five years.

One significant change to arrearage credits is that customers do not continue to accrue arrearages provided that PIPP Plus income based payments are made. Customers can eliminate all of their past PIPP Plus debt over 24 months if all payments are made.

OPERATIONS REPORT

Total expenditures including outstanding encumbrances at the end of September were \$2.6 million or 30.6% of the total annual budget of \$8.5 million.

Currently, OCC is addressing filling position for an Outreach and Education Specialist, a Senior Media Specialist in the Communications Department, and a Senior Regulatory Analyst Position in the Analytical Services Department.

Mr. Krebs arrived at 11:30 a.m.

CONSUMER SERVICES DIVISION

During the last two months, Consumer Services Investigators successfully avoided disconnection and restored service to over 129 and 60 households, respectively. In addition, the division secured over \$31,000 in savings as a result of investigations filed with various utility companies.

LEGISLATIVE REPORT

Ms. Gomberg gave an overview of the results of the November 2, 2010 election. Legislative activity is expected to be light for the lame duck session and pick up in January with the focus being on the State budget.

EXECUTIVE SESSION

Mr. Krebs moved that the Board meet in executive session for the purpose of considering the pending or imminent litigation; Mr. Logan seconded the motion and Mrs. Knight called the roll. The motion passed unanimously.

Executive Session began at 11:45 a.m.
Executive Session ended at 12:12 p.m.

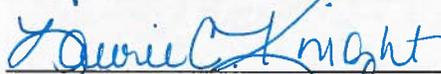
The Board discussed topics they would like to address in future meetings. One topic was a presentation of gas fracking from the environmental point of view given that the Board has already heard from the gas industry. The Board also discussed extending an invitation to the new Attorney General to address our Board as have previous Attorney Generals.

With no further business the meeting adjourned at 12:46 p.m.

I verify that the above meeting minutes have been approved and ratified by the OCC Governing Board on this 18th day of January, 2011.



Jerome G. Solove, Chair
Ohio Consumers' Counsel Governing Board



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