



Resolution

Office of the Ohio Consumers' Counsel Governing Board

In Support of Preserving the Option of Public Utility Standard Offers for Ohio's Residential Consumers to Purchase Natural Gas and Electricity

- WHEREAS,** Ohioans are dependent upon natural gas, electricity or both for essential uses such as lighting, home heating, water heating and cooking; and
- WHEREAS,** Public utilities have historically made the commodities of natural gas and electricity available for sale to customers, in addition to providing the infrastructure (pipelines or wires and meters, etc.) to deliver natural gas and electricity to customers; and
- WHEREAS,** Ohio consumers' options for their supply of natural gas and electricity include purchasing natural gas and electricity through the public utilities' standard offers (which can vary in form between utilities) and from other sources such as energy marketers and government aggregators; and
- WHEREAS,** All traditional and alternative energy suppliers can use the public utilities' infrastructure to deliver their natural gas and electricity to Ohio consumers; and
- WHEREAS,** Some industry stakeholders favor eliminating the standard offer for customers to purchase natural gas from their utility (known in the industry as an "exit from the utility's merchant function") and there may be a similar interest by some in eliminating the standard offer option for customers to purchase electricity from their utility; and
- WHEREAS,** Eliminating the standard offer would remove one valuable customer option for purchasing natural gas or electricity; and
- WHEREAS,** Eliminating the standard offer would remove customers' ability to use the standard offer as a comparison price for considering the alternative offers of energy marketers; and
- WHEREAS,** The standard offers of the natural gas utilities, especially when prices are based on a competitive auction, have been very successful in reducing the natural gas bills of Ohioans who chose the utilities' standard offer for natural gas; likewise, the standard offers of certain electric utilities, when prices are based on a competitive auction, have reduced the electric bills of Ohioans who chose the utility's standard offer for electricity; and

WHEREAS, In recent news stories about a case at the Public Utilities Commission of Ohio it was widely reported that, based on 15 years of information obtained from an Ohio natural gas utility, customers who chose to purchase their natural gas from energy marketers paid \$885 million dollars more than what those customers would have paid had they purchased their natural gas from the public utility's standard offer; and

WHEREAS, The policy of Ohio, in Ohio Revised Code §4929.02, favors reasonable natural gas prices and diversity of natural gas supplies and suppliers for Ohio consumers; and

WHEREAS, The policy of Ohio, in Ohio Revised Code §4928.02, favors reasonable electricity prices and diversity of electricity supplies and suppliers for Ohio consumers; and

WHEREAS, The mission of the Office of the Ohio Consumers' Counsel (OCC) is to advocate for Ohio's residential utility consumers and the vision of OCC includes consumers having the ability "to choose among a variety of affordable, quality utility services."

THEREFORE, BE IT RESOLVED, that the Governing Board of the Office of the Ohio Consumers' Counsel supports the preservation of the standard service offer as an option for residential customers that can save them money on their natural gas and electricity bills and that provides a comparison price when considering offers from alternative suppliers;

AND, BE IT RESOLVED, that the Governing Board of the Office of the Ohio Consumers' Counsel supports advocacy by OCC to preserve the standard offer as a choice for residential customers in their purchases of natural gas and electricity and supports education by OCC to assist Ohio consumers with making economical choices for their purchases of natural gas and electricity;

AND, BE IT FURTHER RESOLVED, that the Governing Board of the Office of the Ohio Consumers' Counsel supports advocacy by OCC to preserve the standard offer as a choice for residential customers in their purchases of natural gas and electricity and supports education by OCC to assist Ohio consumers with making economical choices for their purchases of natural gas and electricity;

I verify that this Resolution has been approved by the Governing Board of the Office of the Ohio Consumers' Counsel, this fifteenth day of January 2013.



Gene Krebs, Chairman

Governing Board of the Office of the Ohio Consumers' Counsel