



A message from Janine Migden-Ostrander ***Ohio Consumers' Counsel***

The economic difficulties of 2008 continued into 2009 and had an impact on Ohio's 4.5 million residential utility households. It was a time of record-high rates of unemployment and foreclosures in Ohio. Consumers across economic classes were affected. Rate increases by the major investor-owned utilities remained a concern. Improving consumer protections was a challenge.

During 2009, the Office of the Ohio Consumers' Counsel (OCC) sought to ensure, through advocacy and litigation, that sufficient financial resources to pay utility bills were available to residential consumers. We want to ensure they were being asked to pay a fair price for services. In the past 15 months, one in 11 Ohio households experienced disconnection of either their electric or natural gas service because they were unable to pay their monthly bills. In this environment, the OCC advocated for the creation and support of critical assistance programs and made sure consumers knew how to access them.

Utility services, whether it be natural gas, electricity, telephone or water, unlike other commodities, are a necessity. Therefore, as the advocate for residential utility consumers in Ohio, we work hard to ensure affordability, service quality and consumer rights.

Through Senate Bill 221, the 127th Ohio General Assembly took a giant step toward ensuring a more secure energy future when it included benchmarks for renewable energy, including solar, energy efficiency and peak demand reductions. Much of 2009 was spent working on the rules to establish the pathway that would ensure that these benchmarks are reached. Toward improving our energy outlook, the OCC spearheaded a renewable energy certificate purchase program under which utilities would agree to purchase, at market price, credits generated from a customer's renewable energy installation. This will help consumers finance such installations. The OCC also worked in collaboration with other stakeholders and utilities to establish energy efficiency programs that can provide real savings to consumers. As we noted in testimony about SB 221, energy efficiency is the cheapest option for meeting our energy needs.

Another important way to help our energy economy is through distributed generation. Using waste heat from industrial processes to create more energy can result in efficiency factors of up to 75 percent – double that of a centralized power plant. To that end, the OCC led the advocacy before the Public Utilities Commission of Ohio (PUCO) to successfully reform rules regarding interconnection, net-metering and standby rates.

Our concern for struggling families was translated into action in rulemaking before the Ohio Department of Development and the PUCO to reform the rules for the Percentage of Income Payment Plan, to negotiate settlements that extended weatherization services and to fund bill payment assistance. After years of work, we were pleased to see the implementation of free voice mail through a partnership with Leader Technologies, Inc. and the Ohio Association of Second Harvest Foodbanks. We are grateful to Leader Technologies for its generosity in providing free telephone numbers and its concern for helping those in need. This service allows

people in distress, whether they are homeless, victims of natural disasters or of domestic violence, to have a secure telephone number where potential employers, landlords, health care providers or family can leave messages.

Important issues of deregulation of the electric industry were considered by the legislature in 2008. In 2009, they considered issues of deregulation of the telecommunications industry. Both years, the OCC represented the interests of residential consumers. The OCC's position has been that we should foster deregulation where there is true competition that can benefit customers. We have had positive outcomes in Ohio for consumers as a result of natural gas deregulation and competitive auctions that have resulted in significant savings on their natural gas bills in 2009. In the FirstEnergy service territory, the OCC supported a competitive bid process that produced bill decreases as high as 16 percent annually. The key to making this a success for consumers is to ensure that there are true competitive alternatives and that barriers to competition are removed. Further, as the OCC has argued in the telephone legislation, deregulation of prices should not be accompanied by the loss of consumer protections and the abandonment of appropriate oversight.

As will be set forth in this report, the OCC continued its rich tradition of advocacy for lower rates in numerous proceedings at the PUCO and the legislature. This involved the natural gas, electric, telephone and water industries. In the course of our advocacy, the OCC saved residential utility consumers more than \$30 million through our individual efforts and an additional \$460 million in advocacy with other stakeholders where the OCC took a lead role. I am proud of the hard work and dedication of my staff and our partners in achieving these savings for Ohio's residential utility customers.

I would like to take this opportunity to thank the OCC staff for their tireless advocacy on behalf of Ohio's residential utility consumers and the Governing Board members for their direction and support. And, thank you to the members of the General Assembly, its leadership, Gov. Ted Strickland and his staff for listening to and considering the viewpoints of the consumers' counsel on behalf of Ohio's residential consumers.

Janine L. Migden-Ostrander
Ohio Consumers' Counsel

Consumers' Counsel



Janine Migden-Ostrander recognized for energy efficiency leadership

Advocating for energy efficiency benefits earned Ohio Consumers' Counsel Janine Migden-Ostrander an Inspiring Efficiency Leadership Award. The award by the Midwest Energy Efficiency Alliance was announced in 2009 and she received it in January 2010.

The consumers' counsel prioritized the need for energy efficiency and demand response programs in Ohio and throughout the Midwest. The organization cited her consistent, aggressive effort that led to significant programs being launched by electric and natural gas utilities throughout Ohio. She helped the state develop and put into law its first energy efficiency standards. Also, she showed that consumer and environmental groups can and should work together toward common goals by forming the Ohio Consumer and Environmental Advocates.

"This honor represents the tremendous amount of work that my staff and I have performed, with the support of the Consumers' Counsel Governing Board, to implement energy efficiency in a meaningful way in Ohio," Migden-Ostrander said.

