

A message from Jerome G. Solove Governing Board Chairman

As Ohioans continued to struggle in a difficult economy in 2010, the Office of the Ohio Consumers' Counsel (OCC) advocated vigorously and successfully on behalf of the state's 4.5 million residential utility households as it has for more than three decades. The nine-member OCC Governing Board is honored to present the Ohio General Assembly with this annual report of accomplishments.

The OCC Governing Board is proud of the work that the OCC's dedicated, hardworking employees, led by Janine Migden-Ostrander performed during 2010. The office uses its resources conservatively, yet effectively, to provide benefits to Ohio utility customers as required by statute. During the past year, the savings for customers have been substantial – more than \$54 million through our individual efforts and \$1.9 billion in cases where we worked with other groups.

The OCC is funded through an assessment on the gross intrastate earnings on the utility companies. This means the OCC is a win-win for Ohio. The OCC does not strain the struggling state's general revenue fund and helps keep rates more affordable with the advocacy services it provides to the residents of Ohio. These services also benefit business customers, such as when the OCC advocates to reduce utility requests for revenue increases, because the savings the OCC achieves are allocated to all business customers from the small commercial to the large industrial. Further, savings the OCC achieves in cases before the PUCO and in the courts remain with Ohioans and strengthen our economy. Through annual direct reductions to utility bills, far in excess of our \$8.5 million annual budget, the OCC enables residential customers to save their hard earned dollars.

However, there is still much work to do as Ohio families experience the strain of our economy. Many Ohioans remain out of work. More than 15 percent of our families are living at or below the federal poverty level. More than 85,000 new foreclosures were reported in 2010. This past year, one in 10 residential customer households faced disconnection for non-payment of their electric or natural gas utility services. This dire situation made paying utility bills even more difficult and underscored the need for the OCC.

In 1976, residential utility customers were severely challenged by high utility bills. Responding to citizen demands, the Ohio Legislature spent the better part of a year reforming the state's public utility regulation and rate-making process. As part of that reform, the 111th General Assembly had the wisdom to recognize the need for better representation of residential customers and created the Office of the Ohio Consumers' Counsel. The legislation creating the OCC was signed into law by Gov. James Rhodes.

Next year, the OCC will mark its 35th year of working tirelessly on behalf of Ohioans. As the only statutory representative for all of Ohio's residential customers, it has to date saved utility customers \$10 billion in avoided utility costs. Under the leadership of Ms. Migden-Ostrander, the OCC has been able to absorb a decrease in the agency's operating budget of 8.5 percent since 2005, while at the same time handling a caseload that has increased more than 100 percent. It is the commitment of this governing board that the OCC will continue to find the best solutions for utility customers and help build a stronger Ohio.

On behalf of the Governing Board, I wish to thank Gov. Ted Strickland, Attorney General Richard Cordray and the 128th General Assembly for their support of the OCC in 2010. As we look to 2011, I offer our cooperation to Gov. John Kasich, his administration, Attorney General Mike DeWine, his staff, and the new Ohio General Assembly. The OCC will continue in its passionate commitment and advocacy on behalf of Ohio's residential utility customers. The Governing Board has every confidence that the OCC and its dedicated staff will remain resolute in carrying out this critical responsibility for Ohio's citizens.



Jerome G. Solove
OCC Governing Board Chairman