



**MINUTES OF THE
OFFICE OF THE OHIO CONSUMERS' COUNSEL GOVERNING BOARD**

Meeting of July 15, 2025

The members present were:

Ms. Cheryl Grossman, Vice Chair (Acting Chair)
Mr. Randy Brown
Mr. Dorsey Hager
Mr. Bruce Lackey
Ms. Connie Skinner
Mr. Josh Yoder

Members Absent: Chair Michael Watkins, Mr., David Fleetwood, and Ms. Jan Shannon

CALL TO ORDER BY CHAIR:

Vice-Chair Grossman called the meeting to order at 10:00 A.M. Susan Loe, Board Secretary, called the roll. The members answering as present were as shown above.

Vice-Chair Grossman asked the guests, staff and Board members to introduce themselves. Present were representatives from Gongwer, staff from the PUCO and OCC, as well as the Board Members, Deputy Consumers' Counsel and Consumers' Counsel.

APPROVAL OF THE MINUTES:

Vice-Chair Grossman asked for a motion to approve the minutes of the May 2025 Board meeting. A motion was made by Ms. Skinner to approve the minutes as written. Mr. Lackey seconded the motion. Ms. Loe called the roll. The motion was approved unanimously by members present.

CONSUMERS' COUNSEL'S REPORT:

Ms. Willis first discussed the recent NASUCA (National Association of State Utility Consumer Advocates) summer meeting which was held in downtown Columbus June 8-11. She discussed a panel which included herself along with three former Ohio Consumers' Counsels. She explained that the first Consumers' Counsel, William Spratley, was a founder of the organization. She also discussed panels

regarding leveraging media and a gas panel, which included Commissioner Deter. She noted that Mr. Spratley received an award for exceptional service to NASUCA and the regulatory community. Vice-Chair Grossman asked how many states are represented in the organization, and Ms. Willis responded that there were about 45. She explained that not every state has a consumer advocate, and that many states are organized differently than Ohio. She added that there was also a panel on data centers.

Consumers' Counsel Willis next updated the Board on PUCO activities. Ms. Willis explained that there were currently six rate cases at the PUCO in various stages. She noted that all were requests for double-digit rate increases and added that affordability was the primary issue that OCC was addressing.

She next discussed the PUCO order issued in the Enbridge rate case, which included a decrease of \$26 million. She noted that this was the first rate case for Enbridge in 12 years, so from OCC's perspective there were many years with likely too high earnings. She noted OCC is looking at potentially filing an application for rehearing, because even though it was a rate reduction, it was much less than the reduction proposed by OCC and PUCO staff. She noted that affordability was not addressed by the PUCO. She explained that there were three issues involving the pension, which accounted for the majority of the difference. She noted the Enbridge customers were also served by an electric utility that is also requesting a significant increase. She added that there had been a lot of public participation and that OCC had a number of community outreach efforts. She explained that OCC would likely file an application for rehearing and that the PUCO would have to rule on the application for rehearing within 30 days. She further explained that if the PUCO declines OCC's application OCC would then have to review the matter for possible appeal to the Ohio Supreme Court. Mr. Lackey asked how the OCC and PUCO staff calculates what the reduction should be. Ms. Willis explained that it was formulaic, set out in statute, but that there was discretion when considering certain expenses and revenues.

Ms. Willis next discussed the Christi Water rate case. She explained that the PUCO and the utility had reached a settlement, but that OCC was concerned about the unaccounted for water, or water leak. She noted that 30 percent of the water purchased from the City of Defiance was unaccounted for, or did not get to the end user. She explained that Christi conducted a water leak study after the settlement, which showed 7,500 gallons of water leak per day was attributed to a single residence. OCC had filed a request to reopen, because all consumers appeared to be charged for the unaccounted for water in the settlement. The PUCO allowed the reopening and OCC will be conducting depositions.

She also discussed reliability cases where utilities were seeking to lower reliability standards, rider reviews, PUCO ordered audits, and five-year rules review. She explained that reliability standards were set at the PUCO that establish the rules for the frequency and duration of outages. She noted that consumers are paying a lot of money for reliability, so they should expect increased reliability. She explained there were some concerning reliability issues with First Energy, with frequent and extended outages in Lakewood and Barberton. She explained that these communities had contacted the PUCO and Chair French had responded that there would be an investigation.

She commented that the distribution modernization rider charge was never spent by First Energy on reliability, which might have helped reduce outages. Mr. Yoder asked if it was common for a utility not to spend the rider money on what it was approved for. Ms. Willis responded that she believed it was fairly rare, that usually these riders include specific plans for specific projects. She noted this rider was the one that the court later struck down, and it was somewhat tied to HB 6. She added it was a charge that was not associated with costs or actual investment. She explained it was and add on through an electric security plan, and was charged and collected, but even after the court found it to be unlawful, no refunds were awarded. She noted a half a billion dollars was collected for grid mod, none of which was spent on grid mod.

Ms. Willis next explained that OCC has requested virtual hearings in four rate cases, and the PUCO has not ruled on any of them. She noted this may limit consumers' ability to comment on these cases.

Mr. Lackey asked if the same individual had ever served on both the OCC Board and the PUCO at the same time. Ms. Willis responded no, and that would likely be a conflict, since the OCC is an advocacy group and the PUCO is charged with balancing the interests of the utilities and all consumer groups.

Ms. Willis next discussed the HB 6 investigations and recent hearings. She noted former PUCO commissioner Ashley Brown was a witness for OCC, who presented testimony recommending refunds and punitive damages, recommendations for audits and other matters. She also discussed OMA's witness testimony of John Seriyak, who recommended FirstEnergy should lose its franchise rights.

Ms. Willis next discussed the data center case and the two proposed settlements. She noted that the settlement that included consumer protections was approved by the PUCO. She explained that the concern from the consumer perspective is that residential consumers would be affected by reliability issues and transmission costs. Mr. Yoder asked about whether there was redundancy with data centers having substations with multiple utilities as part of the requirement. Ms. Willis commented that it might be part of the tariff, but that she would have to research that question. She noted that the case was newsworthy, and precedent setting. She noted that OCC was pleased to be aligned with AEP and the PUCO staff on this solution. She added that although OCC supports economic development, the data centers do not really create a lot of jobs relative to the level of energy consumed.

Ms. Willis next discussed the audit independence issue, where auditors share their draft report with the utility and make changes requested by the utility. She discussed a recent case where the former Chair Randazzo directed staff to have language deleted from the draft report that included consumer protection recommendations. OCC has proposed the draft report to be on the docket under seal to allow all parties to see it for the purpose of removal of protected confidential information or correct mathematical errors. Mr. Yoder asked if there was any liability for an auditor that didn't disclose pertinent information in its report. Ms. Willis responded that the audits are not typical financial audit,

but rather looking at the reasonableness of costs. She noted that the audits are to protect consumers, and OCC will continue to raise this as an issue and hopefully have some impact on past practices.

DEPUTY CONSUMERS' COUNSEL'S REPORT:

Deputy Consumers' Counsel O'Brien discussed matters that the OCC is involved in before the Federal Energy Regulatory Commission (FERC) and OCC's appellate work.

Ms. O'Brien also updated the Board on the RTO adder case, where the 6th Circuit determined the RTO adder should not be passed along to consumers in Ohio. She outlined the millions of dollars in savings to consumers for the various utilities involved. She updated that FirstEnergy and AEP had filed a motion to stay pending their appeal to the U.S. Supreme Court. She noted that Duke and PJM will be filing in support of those petitions. She explained that OCC will be filing a response to that, as well as the PUCO. She explained that OCC was working with outside counsel and Ohio Solicitor General, who is representing the PUCO on the matter, in coordinating our efforts. She explained that if it moves forward, her recommendation as legal director would be that someone who is well versed and experienced in practicing before the U.S. Supreme Court be the one to argue the matter. Ms. Willis added that if the cert is denied, the stay would be lifted, some consumers would receive refunds, the charges would stop on a going forward basis.

Ms. O'Brien next discussed OCC's work for consumers at the Ohio Supreme Court. Vice-Chair Grossman asked Ms. O'Brien to share the information on how board members can view the arguments presented. Ms. O'Brien said the link to the Ohio Channel recording would be sent to the Board where the arguments are archived. Ms. O'Brien discussed an Ohio Supreme Court pending appeal dealing with Duke's gas rate case, where charges for propane caverns were allowed, even though they were not used and useful at the date certain. She noted there were upcoming oral arguments in that case.

She next discussed the appeal of FirstEnergy's electric security plan IV case. She explained this is a case where FirstEnergy withdrew their ESP V and the PUCO allowed them to return to their ESP IV, along with all of the riders. She noted this was similar to the recently argued case at AES Ohio. She further explained that OCC believes the utility is required by plain statutory language to reinstate the standard service offer. Ms. Willis noted that if the court rules on the AES issue, it would control the outcome of this case as well.

FISCAL INFORMATION:

Ms. Loe gave the Board an update on OCC's Fiscal Year 25 expenditures, as well as the approved budget for the FY26-27 biennium. She explained that OCC had spent approximately 96% of its FY25 budget and is expecting more invoices applying to that fiscal year in the coming months. She noted the Fiscal Year 26 budget was increased by about 6%, which would largely be needed for COLA increases

for current staff and to fund a 28% increase in employee health insurance costs. She explained that the health insurance cost was estimated at 6% increase at the time the budget request was originally developed. She further explained that in FY27 there was an additional increase, that would fund COLA that year for current staff and fill 1-2 vacancies. She noted there were currently a couple of positions posted in the analytical department.

Ms. Willis added that as part of the budget bill, there would be required performance audits of the PUCO and the Power Siting Board. She added OCC is hopeful the issue of the independence of the auditors will be addressed. She also reviewed the budget process, noting that the agency had originally requested about 30% increase to recapture lost purchasing power over the past 10 years. She explained the Governor's budget proposal had an increase that was later reduced by the Senate. She noted that it appears that the reduction was related to the removal of wireless utilities from OCC's assessments. Vice-Chair Grossman noted that it was a tough and controversial budget, and OCC did well in this setting. Ms. Willis noted that generally there was a statewide cap of 5%, so OCC is fortunate to have received a slightly higher increase.

LEGISLATIVE UPDATE:

Mr. Stallard, legislative liaison, next discussed the potential legislative override of the Governor's veto of the property tax exemption. He noted votes of 3/5ths of the members of the House would be required to approve the override of the veto in order for it to pass. He noted that overrides of this type are very rare.

Mr. Stallard next discussed some pending legislation involving submetering. He noted that there were two competing bills, and that OCC was in support of the bipartisan bill by Reps. Brennan and Fischer. He explained that this bill defined submeterers as public utility, which would provide the same level of consumer protection as other utilities. He also discussed natural gas bills, and noted there were two bills, which would redesign gas regulation. He explained that there needed to be a lot more work on both bills in order for OCC to be in support. Ms. Willis noted that OCC is not in favor of either bill, which appear to heavily favor gas utilities over consumer protections. Mr. Stallard noted there had been multiple meetings and that OCC would like to ultimately see something closer to HB 15, which redesigned electric utility ratemaking processes while including consumer protections.

He also discussed the utility bill transparency bill, which would provide consumers with more information on their electric bills, including definitions of the various charges.

Harrison Siders noted that it was a difficult budget process, with a lot of contentious issues. He noted that through their efforts in the budget bill, there were a lot of legislators who did not know about OCC or the work that is done on behalf of consumers. He noted there would be continued efforts to educate the legislators over the coming months demonstrating how OCC benefits their constituents.

PUBLIC AFFAIRS REPORT:

Merrilee Embs, Public Affairs Director, gave the Board a brief update on public outreach and website activities. She noted that OCC had participated in several media interviews recently, including a Cleveland interview and a podcast. She noted that OCC had sent out a lot of media, and there had been 54 different news stories over the past month. She shared a slide depicting the issues raised by consumers who contact the agency. She also explained that the website continues to be a great resource, and she provided statistical information on the most frequently visited pages. She noted that in June the Utility Assistance page had over 3,000 views. She also provided statistical information on recent outreach and education events, including local fairs, with staff participating in 139 events in May and June. Vice-Chair Grossman asked about working with AARP. Ms. O'Brien mentioned that they were part of the LIDG group. Vice-Chair Grossman offered to assist in developing a relationship with that group.

Ms. Embs discussed the Ohio Township Association Newsletter and Magazine, where OCC would be featured in a column every two months.

Ms. Embs noted the first OCC newsletter would be published August 1, which would be an introductory issue, that would include information helpful to consumers. She explained the plan would be to issue the newsletter quarterly at first, with a goal to make it more frequent later.

Mr. Lackey asked, with regard to OCC's mission to advocate and educate, what the approximate allocation of OCC's budget is to each effort. Ms. Loe responded that it was probably about 80% advocating and 20% education.

Mr. Brown made a motion to go into executive session to consider the compensation of a public official. Ms. Skinner seconded the motion. Members voted as follows:

Brown – Yes

Hager – Yes

Lackey – Yes

Skinner – Yes

Yoder – Yes

Grossman – Yes

The motion passed and the Board went into Executive Session at approximately 11:30 AM.

The Board returned from Executive Session at approximately 11:45 AM.

Mr. Hager made a motion to extend the cost of living increases that were extended to most state employees 4.5%, to the Consumers' Counsel and the Deputy Consumers' Counsel, effective in the pay period which includes July 1, 2025. It was seconded by Ms. Skinner. Ms. Loe called the roll. The motion was approved unanimously by members present.

Ms. Skinner made a motion to adjourn the meeting, seconded by Mr. Brown. Ms. Loe called the roll. The motion was approved unanimously by the members present.

The meeting was adjourned at approximately 11:45 A.M.

I verify that the above meeting minutes have been approved and ratified by the Consumers' Counsel Governing Board on September 9, 2025.



Cheryl Grossman, Governing Board Vice-Chair (Acting Chair)



Susan Loe, Board Secretary

Ohio Consumers' Counsel Governing Board