



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

September 20, 2022

The members present were:

Mr. Michael Watkins, Chair
Mr. Randy Brown
Mr. David Fleetwood
Mr. Dorsey Hager
Ms. Jan Shannon
Ms. Connie Skinner
Mr. Josh Yoder

The members absent were: Vice-Chair Cheryl Grossman and Ms. Kelly Moore. Assistant Attorney General Brian Lee was in attendance at the meeting.

CALL TO ORDER BY CHAIR:

Chair Watkins called the meeting to order at approximately 10:30 A.M. Chair Watkins welcomed the Board members to the meeting and asked Interim Board Secretary (Deputy Consumers' Counsel) Larry Sauer to call the roll. The members answering as present (including Mr. Hager's later arrival) were as shown above. Chair Watkins welcomed the new member, Mr. Fleetwood, and asked the members to introduce themselves.

Consumers' Counsel Weston distributed OCC lapel pins to new Board members.

MEETING MINUTES:

Chair Watkins asked for a motion to approve the minutes of the July 19, 2022 Board meeting. A motion was made by Ms. Skinner to approve the minutes. Mr. Fleetwood seconded the motion. Mr. Sauer called the roll. The motion was approved unanimously.

RECOGNITION:

Chair Watkins informed that Mr. Fleetwood had been appointed to replace Mr. Callion, who had retired and chosen not to seek reappointment upon the expiration of his term. The Chair asked the Board to consider a resolution to thank Mr. Callion for his service to the Board and the public. Consumers' Counsel Weston read the resolution to the members for their consideration. Mr. Hager arrived at the meeting during this discussion. A motion was made by Ms. Skinner and seconded by

Ms. Shannon to approve the resolution. Mr. Sauer called the roll. The motion was approved unanimously.

Consumers' Counsel Weston next asked the Board to consider a resolution honoring Dr. Daniel Duann for his service with the OCC since 2008. Mr. Weston explained that Dr. Duann had decided to retire after many years of employment with the agency, including currently as the Co-Director of the Analytical Department. Mr. Weston further explained that Dr. Duann is an expert in utility regulation and that he had been extremely helpful for OCC's consumer advocacy over the years. He noted that Dr. Duann had served as an expert witness in a recent case that resulted in a \$306 million settlement in refunds and credits for FirstEnergy consumers. Mr. Weston read the resolution to the Board for their consideration. A motion was made by Ms. Skinner and seconded by Ms. Shannon to approve the resolution. Mr. Sauer called the roll. The motion was approved unanimously.

Dr. Duann then thanked Mr. Weston and Deputy Sauer for their support over the years, and thanked Chairman Watkins and the Board for supporting OCC staff. Dr. Duann explained that, as an economist, his focus is with numbers. But in working at the OCC, he had come to realize that there is a person and a family on the other side of every utility bill. He added that some may have trouble paying their bills, and that is something he will always keep in mind. Dr. Duann noted that it was Consumers' Counsel Weston and Deputy Sauer's pursuit of the excessive profits case in an appeal to the Supreme Court of Ohio that led ultimately to the favorable outcome for two million FirstEnergy consumers.

Deputy Sauer gave recognition to the Employee of the Quarter for the first quarter of 2022, Tracy Green. Ms. Green serves as a case team coordinator in the legal department. Mr. Sauer stated that Ms. Green joined the agency in 2019, after having 30 years of experience providing legal support at various law firms. He mentioned that she had really stepped up to assist the legal staff upon the retirement of long-time case team coordinator Deb Bigham.

Consumers' Counsel Weston briefly discussed the charitable efforts of agency staff with the Combined Charitable Campaign. He informed that Merrilee Embs is kindly serving as this year's campaign coordinator.

WORK ACTIVITY/OVERVIEW:

Consumers' Counsel Weston briefly discussed the recent presentation he was invited to make at the Ohio Manufacturers' Association conference on September 8. Mr. Weston informed that he participated on a panel with OMA President Ryan Augsburger, Senator Mark Romanchuk and manufacturer Brad Belden.

Consumers' Counsel Weston gave a brief overview of the history, organization and role of OCC, for the information of the new Board members. He discussed, among other things, the mission, vision and

core values of the agency. He described some of the Board's resolutions. He highlighted an August 24, 2022 article in the Columbus Dispatch that recognized the OCC as "the little public law firm" that represents 4.5 million consumers. He gave an overview of the departments of the agency and agency management, and a list of partnership organizations that work with OCC. Deputy Sauer provided information about OCC's concerns for consumers who have been made to pay subsidies for power plants.

Mr. Weston discussed OCC's role in protecting at-risk Ohioans. And he discussed Ohio Revised Code 4928.02(L) that requires the protection of at-risk Ohioans.

Deputy Sauer and Consumers' Counsel Weston described concerns with the current methodology for competitive auctions for providing electricity to low-income consumers in the percentage of income payment plan (PIPP) program. Mr. Weston informed that OCC believes the current process is a violation of law, where low-income consumers are charged too much for electricity. OCC understands that the law intends for low-income consumers to be billed no more than charges to consumers served by utility standard offers. And the law also is intended to limit charges to consumers who pay to fund the program. Board member Yoder asked for clarification on the reasoning behind the methodology, and Mr. Weston replied.

Mr. Weston introduced Patti Mallarnee to the Board. She has worked at OCC since the early 1980s. He noted that she is the only remaining staff member at OCC that has served consumers during the tenures of all four Consumers' Counsels (with Bill Spratley being the first Consumers' Counsel and Mr. Weston being the fourth Consumers' Counsel).

Mr. Weston shared a news story on the recently issued Ohio poverty report. He introduced the guest speaker, Mr. Philip Cole. Mr. Weston stated that Mr. Cole has served as the Executive Director of the Ohio Association of Community Action Agencies since 1989 and he has been nationally recognized for his advocacy for low-income people. He noted that Mr. Cole would be joining the meeting by video call shortly.

Mr. Weston next shared a photo of Chair Watkins and Amy Carles (of OCC's Public Affairs Department) at the Allen County Fair. He thanked the Chair for visiting with Amy at the Fair. The Chair stated that Amy does an excellent job of engaging people at these events.

Mr. Philip Cole then joined the meeting by video call. Mr. Weston introduced himself and the Governing Board to Mr. Cole. He stated that the OCC was already referencing the Poverty report soon after its release. Mr. Cole talked about the role of Community Action Agency activities and gave an overview of their role. He stated that this was the 29th annual poverty report. He explained it is the story of the lives of the people that his Association's members serve every day. He added that stories are worked into the report that are typical of the Ohioans they serve.

He stated that the poverty rate in Ohio is 12.7%, which is about .8% above the national level. He stated that in the last couple years they have seen close to a million people each year. He pointed out the episodic data as being a better picture of the rate of poverty. He stated that the need rose sharply at the beginning of the pandemic and that it has never gone back down. He described jobs available in Ohio where people are not trained to do them. He said there is a misalignment between available jobs and qualified workers. He discussed that training is needed not just in central Ohio, but also in the rural areas of the state.

He also discussed student loan debt. He explained that it used to be public policy in Ohio to support public universities. He stated that the support was much larger per student than it is now. He explained that tuition has increased 211% over the last 20 years. He added that Ohio ranks 32nd in median income and 13th in median debt, meaning that people cannot pay off the debt.

Mr. Cole stated that the pandemic caused many childcare centers to close. He explained that the hourly rate for a childcare worker in Ohio places childcare workers below the self-sufficiency standard in every county in Ohio. He added that this is not unique to Ohio; it is the same throughout the country. He stated that even with the lower wages, childcare is still not affordable for the average worker.

He next discussed that the idea of affordable housing has gone through a major shift. He stated that two-thirds of Ohio's lowest income homeowners spend at least half of their income on housing related costs, which includes utilities. He stated that the shortage of affordable housing is estimated to be at least a quarter of a million units in the state. He stated that he is hopeful that when Intel and other companies come in, it will help alleviate some of the problems.

Board member Yoder asked what are the skillsets for Intel and those types of opportunities. Mr. Cole responded that Intel is looking for an associate degree in advanced manufacturing, and those jobs should pay at least \$78,000.

Mr. Weston stated he has heard that the Community Action agencies lack the staffing resources to meet the demand for assistance and he asked Mr. Cole to address that issue. Mr. Cole responded that it was worse during the early part of the pandemic, and that they have been able to increase staffing to better support the need.

Mr. Weston thanked Mr. Cole for sharing his report with the Board. Board member Shannon added that there was a lot of work being done in some of the Ohio counties with American Rescue Plan funds. She stated that work was being done in her county on childcare credits, and childcare training, and other efforts. She is hopeful that other counties do the same with their funding. Mr. Weston thanked Ms. Shannon for her comments.

Mr. Weston next discussed the AEP forced outages from mid-June 2022, that were difficult for many consumers. He explained the motions filed by OCC, OPLC, and Pro Seniors seeking an investigation, an independent audit, public hearings, and a PUCO determination as to whether AEP was liable for damages. He stated that the OCC's job is to find out what happened on behalf of the public.

Consumers' Counsel Weston next discussed House Bill 6 issues and the separate scandal at the PUCO involving FirstEnergy and what FirstEnergy agreed in the U.S. Deferred Prosecution Agreement were its intended bribes to the former PUCO Chair. (The former PUCO Chair has not admitted to wrongdoing and has not been charged with a crime.) The Consumers' Counsel noted that the U.S. Attorney requested in a filed letter, and the PUCO had granted, a stay of the investigations into FirstEnergy at the PUCO. He added that the PUCO investigation cases (and OCC's investigating) are basically halted by the PUCO at this point. He noted that two court trials, including one involving the former Ohio House Speaker, were upcoming early next year related to House Bill 6.

Mr. Weston stated that, in the interest of time, he would conclude his presentation. Board Chair Watkins asked the Board members to consider over the next couple of months whether their preference for two-hour meetings should be updated to allow more time for Board meetings.

Mr. Brown made a motion to adjourn the meeting. It was seconded by Mr. Fleetwood. Mr. Sauer called the roll. The motion was approved unanimously.

The meeting adjourned at approximately 12:35 P.M.

I verify that the above meeting minutes have been approved and ratified by the Consumers' Counsel Governing Board on November 15, 2022.



Michael Watkins, Board Chair



Larry Sauer, Interim Board Secretary
Ohio Consumers' Counsel Governing Board