



## Office of the Ohio Consumers' Counsel

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December 12, 2023

The Honorable Matt Huffman, Senate President  
The Honorable Nickie Antonio, Minority Leader  
The Honorable Bill Reineke, Energy and Public Utilities Chair  
The Honorable Rob McColley, Energy and Public Utilities Vice Chair  
The Honorable Kent Smith, Energy and Public Utilities Ranking Member

### **VIA EMAIL**

Dear President Huffman, Minority Leader Antonio, Chair Reineke, Vice Chair McColley, and Ranking Member Smith:

I hope you and your colleagues are well.

Today, the Senate Energy and Public Utilities Committee amended House Bill 201. To protect Ohio utility consumers, please do not vote to pass amended H.B. 201. Well-designed economic development, with protections for consumers, can be a good thing for the public. But the language in the Amended House Bill 201 is lacking adequate design and consumer protection from runaway utility charges.

Amended HB 201 would expand current law and allow charges to natural gas customers for additional infrastructure upgrades and expansion. The amended bill will enable utilities to pile on charges to utility consumers' bills for "any other investment in or associated with transmission or distribution facilities." (Lines 12-16). Amended HB 201 even allows utilities to charge consumers for the costs of establishing or upgrading connections to interstate pipelines that they do not own. (Lines 32-40).

Amended HB 201 lacks a strict low annual limit on charges to consumers for the program. Amended HB 201 purports to provide a \$1.50 monthly limit on utility charges to consumers but allows utilities to circumvent the limit by using deferral accounting. Under Amended HB 201 the PUCO must approve requests to defer infrastructure development costs that are above the cap for later collection from consumers (Lines 83-84). Although the time for seeking deferrals is limited to the next six years, utilities can collect deferred costs until all costs are collected. (Lines 64-71). That means consumers could pay for these costs for a long, long time. Also, the PUCO currently applies a consumer-protective six factor test when considering deferrals. That consumer protection would be gone. At a time of surging energy costs facing Ohio residents and businesses, we urge the Senate to reject legislation that leaves consumers significantly exposed to additional costs.

All of these added costs to consumers under Amended HB 201 come without standard consumer protections. The amended bill lacks the fair and balanced ratemaking standards found in current Ohio law, R.C. 4909.15.

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Another concern is that the infrastructure development charge is designed like a regressive tax. It favors big business customers. Under the bill some of the largest companies in Ohio would pay the same monthly subsidy as residential consumers pay. (Lines 79-80). It is unfair to residential consumers. Larger companies should pay their proportionate share to fund the program.

Amended HB 201 also fails consumers by not actually requiring jobs and investment from the mandated subsidies. The amount of money to be collected from customers to support potential site-ready projects, which may never come to fruition – or infrastructure that may never be used – is unspecified and uncapped. (Lines 109-114; 77). This allows the utilities and the PUCO to choose winners and losers among Ohio businesses. Not fair.

There must always be a proper balance between economic development and affordability of utility service. The additional and substantial cost for gas service from Amended HB 201 will make gas utility services less affordable to many Ohioans. As Ohioans have less money to spend on other goods and services (such as going to a restaurant, buying clothing, etc.), Ohio's economy will suffer, not prosper. And consumers will suffer.

I urge you to vote no on Amended HB 201, in order to protect Ohio utility consumers. Thank you for your consideration.

Sincerely,

*/s/ Maureen Willis*

Maureen Willis, Ohio Consumers' Counsel

cc: Mr. John Barron, Majority Chief of Staff  
Ms. Monica Moran, Minority Chief of Staff