

Before The Ohio Senate Public Utilities Committee

Testimony on Senate Bill 157 (Protecting Ohioans from Resellers/Submeterers of Utility Services)

by Bruce Weston, Agency Director Ohio Consumers' Counsel

On Behalf of Ohio Residential Utility Consumers

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Hello Chair Beagle, Vice-Chair McColley, Ranking Minority Member Williams, and members of the Committee. My name is Bruce Weston. I am the Ohio Consumers' Counsel, the director of the state agency that represents 4.5 million residential utility consumers.

I am testifying today with some good news for consumers regarding this legislation. I will get back to that good news in a minute.

As you know, the purpose of this legislation is to protect Ohioans who do not receive their utility service directly from public utilities or other primary providers. Instead, these consumers are resold utility service by third-parties typically described as submeterers or resellers. These Ohioans can be considered as having a second-class consumer status

because they lack the protection of regulation or competitive markets that the General Assembly has wisely instituted over the years to protect utility consumers.

The protections that these Ohioans are lacking include service protections and limits on prices. An example of a service protection is the consumer's right to have utility service without improper disconnection.

Forty years ago the Ohio Consumers' Counsel Governing Board adopted the attached "Consumers' Bill of Rights." Four years ago I gave my initial testimony in the General Assembly on this issue of protecting submetered Ohioans. Essentially, these consumer rights of forty years ago still echo in what consumers need now from their state government. Two of these rights relate to consideration of consumer issues by the General Assembly.

And that brings me back to where I started today regarding the good news for consumers. Under the leadership and direct involvement of Senate President Obhof and his staff, there is significant progress underway toward a legislative solution that will provide real protections for Ohio consumers. Those protections include giving the PUCO clear authority to regulate resellers in the public interest, such as by promulgating rules needed for consumer protection. The protections also include establishing limits on submetering charges. And the protections include giving remedies to consumers in the event of noncompliances by resellers, among other protections.

I appreciate that the Senate President, with his staff, reached out to me for a candid meeting on the consumer issues. And I thank Chairman Beagle and his staff who reached out to me for a thorough conversation about what consumers need from legislation. Thanks

go also to the bill sponsor, Senator Bacon, as we are building on the pending legislation that he developed. And I thank Representative Duffey who has been active in this consumer protection issue for several years.

Having expressed my appreciation for the significant progress, I ask this Committee for its kind patience. I am thankful that those involved are taking the necessary time for getting the details right in this legislation for consumer protection. And I am encouraged that this approach to legislation holds promise for being worthy of passage by you and your colleagues.

Thank you for this opportunity to testify.

Historical Journal

Bill of rights shapes commitment to residents

One of the first items accomplished during the first full year at the Office of the Ohio Consumers' Counsel was the adoption of the "Residential Utility Consumers' Bill of Rights."

The OCC Governing Board in March 1978 approved 10 basic rights that each residential utility consumer is entitled to because their work, health and life depend on the services supplied by utilities.

They are:

- 1. I have the right to receive adequate utility services.
- 2. I have the right to pay no more than a reasonable price for the utility services I use.
- 3. I have the right to not have my utility services arbitrarily terminated.
- 4. I have the right to have qualified representation in all proceedings affecting my supply and cost of utility services.
- 5. I have the right to receive all existing information concerning the supply and cost of utility services.
- 6. I have the right to question improper management of public utilities.
- 7. I have the right to demand conservation of utility resources.
- 8. I have the right to participate in making decisions affecting future utility resources for myself and my children.
- 9. I have the right to have my wishes and needs concerning my utility services considered by those elected or appointed to represent me.
- 10. I have the right to have this bill of rights enforced by binding laws enacted by my elected representatives and by binding rules and regulations promulgated by those appointed by my government.

This basic bill of rights has been the foundation of the OCC's commitment to represent residential utility customers. It has resulted in many consumer protections and savings of billions of dollars since the OCC's inception.