October 22, 2019

Ohio House Public Utilities Committee
77 S. High Street, 11th Floor
Columbus, Ohio 43215

RE: HB 247

Dear Chairman and members of the Ohio House Public Utilities Committee:

Industrial Energy Users of Ohio (“IEU-Ohio”) respectfully submits the following written testimony on behalf of its members across Ohio.

If there are problems with electricity distribution service that Ohio electric distribution utilities (“EDUs”) are attempting to solve through HB 247, IEU-Ohio commits towards constructively working towards finding equitable solutions.

Since Ohio restructured the regulation of electric distribution utilities (“EDUs”) in 1999, Ohio customers have been able to rely upon the competitive marketplace for solutions to their generation supply needs and other products and services affecting how and when customers consume electricity. IEU-Ohio continues to support market-based policies to address the electricity needs of Ohio businesses.

House Bill 247, however, takes Ohio back towards regulation, higher utility bills, additional non-bypassable charges and more monopolistic control of our energy infrastructure and the products and services available to Ohio customers.

It also unclear what problem much of HB 247 is intended to address. Presently, several Ohio EDUs already offer many of the smart grid technologies addressed in HB 247. Utilities are also permitted to offer other customer focused energy solutions and services that would be considered competitive services through a non-regulated affiliate of the EDUs. HB 247 would erode competition and diminish customers’ ability to choose products and services that meet their individual needs.

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HB 247 further allows utilities to build infrastructure and facilities under an economic development theory. However, the as introduced legislation contains no limitations on how much these economic development activities could cost and no limitation on how much customer rates could increase as a result of these activities. If there is a need to facilitate economic development a more balanced approach is necessary.

In sum, the current form of HB 247 lacks any real safeguards to prevent excessive rate increases for Ohio customers and risks damaging the success of our current competitive energy environment which will likely result in fewer choices for customers.

Sincerely,

Kevin Murray
Executive Director, IEU Ohio

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