



**Written Opponent Testimony on Senate Bill 86**  
Senate Energy and Public Utilities Committee  
James Dunn, Legal Counsel, Nationwide Energy Partners  
December 10, 2019

Chairman Wilson, Vice Chair McColley, Ranking Member Williams, and members of the committee, thank you for the opportunity to provide testimony on Senate Bill 86. My name is James Dunn, and I am Legal Counsel for Nationwide Energy Partners (NEP), a Columbus, Ohio-based company, launched in 1999. I have represented the company since 2013 and have been deeply involved in all of the legislative efforts pertaining to the company's business model.

To start, I would like to give a brief overview of the company's history and how it has evolved into the robust solutions and technology-based company it is today.

In 1999, NEP was launched as a market alternative to the significant costs that host utilities started to charge property owners to install private electric distribution systems on multifamily properties as a result of deregulation legislation. In response to this market shift, NEP developed the ability to install private electric distribution systems faster, at a lower cost, to a higher code, and more efficiently than the host utility for developers. Naturally, local developers and property owners took notice and asked NEP to provide similar services for their properties. In response to this demand, NEP combined its installation expertise with submetering and billing services, and a new, in-demand business model was born.

Increasingly, Ohio property owners—whether commercial or residential—want the ability to plan better for how their sites use and conserve energy. With proper planning, submetering allows real transparency into how energy is used on a property and enables property owners to quickly add innovative solutions and technologies such as EV charging stations, solar energy, smart water heater technology, smart meters, and the ability for property owners to build their own microgrids.

For about five years now, NEP has been advocating for legislation to codify consumer protections for residents, while also allowing for property owners to continue to make decisions regarding how their property is managed. More specifically, NEP has advocated for reasonable rate caps and enhanced transparency to better inform and educate consumers. NEP will continue to engage with legislators and interested parties in an attempt to find common ground to protect consumers while also respecting property owner rights.

Finally, it should be noted that the Public Utilities Commission of Ohio (PUCO) has already taken a position on this issue with regard to rate protections and its jurisdiction. It ruled that, unless a resident is charged a rate higher than the local host utility residential rate, the submetering company is not considered a utility and therefore is not subject to the PUCO's jurisdiction. That ruling has set a clear test that benefits consumers and triggers action by the PUCO for any potentially-nefarious rate practices. Any legislation that passes should provide safe and fair regulatory certainty for the submetering industry. The bill in its current form allows both the PUCO and host utilities the opportunity to prevent NEP and other companies from continuing to compete for this business, and could drive companies that have been providing valuable services for over 20 years out of business.

For these reasons, NEP respectfully asks that this committee oppose Senate Bill 86 in its current form. Instead, we ask that you continue to consider codification of consumer protections in an amendment or a separate piece of legislation, one that does not intend to discourage or frustrate small business interests and take away control and choice for property owners.

Thank you again for the opportunity to testify today. I would be happy to answer any questions you may have now.