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**Senate Energy and Public Utilities Committee**  
**Senate Bill 150 Sponsor Testimony**  
**Prohibit terminating electric, gas service to certain households**  
**September 20, 2023**

Chairman Reineke, Vice Chairman McColley, and members of the Energy and Public Utilities Committee.

Senate Bill 150 would broaden the current prohibitions on utility disconnections to additional vulnerable Ohio populations. This was not a policy focus of mine until I, and other members of the Northeast Ohio delegation, attended a January briefing hosted by University Hospitals at their Rainbow Babies Hospital where they shared a variety of significant pediatric research, one of which was about the impact of disconnections on children. Mr. Chairman, it is my hope that you will allow proponent testimony for SB 150 so that this Committee will be able to hear, for themselves, from those medical experts.

Currently, Ohio only has two utility disconnection prohibitions. Utilities are prohibited from disconnecting utility services during cold weather (November 1<sup>st</sup> – April 15<sup>th</sup>) or if a resident has a medical condition. But the medical condition prevention is only available for 30 days at a time and can only be used three times in a calendar year.

This legislation would broaden those disconnection prohibitions to more vulnerable populations.

SB 150 would prohibit Ohio's utilities from disconnecting heat or electricity if the household has a child that is five or younger or a person who is 65 or older living there.

Senate Bill 150 would also protect people with a disability, an illness, or who are pregnant from being disconnected for non-payment if they provide proof of those conditions.

In addition, Utilities also could not disconnect customers who are at or below 200% of the federal poverty line for non-payment, assuming they provide proof of income.

Senate Bill 150 would set up a new payment program for those seeking disconnection protections. The legislation would require customers to enroll in a payment program requiring them to make monthly payments of an amount that's less than either 7.5% of the customer's monthly income, or one-twelfth their combined gas and electric bills from the period immediately before they enrolled in the payment plan, whichever amount is lower. Senate Bill 150 would prohibit utilities from passing costs of those protections onto other ratepayers.

Most recent annual data indicates that 273,977 households across Ohio had their electricity disconnected and 156,792 had their natural gas disconnected.

AEP has by far disconnected the greatest number of Ohio families for non-payment, with over 146,075 in 2022 and FirstEnergy was second with 77,554 in 2022.

In terms of natural gas shut offs Center Point Energy disconnected 78,396 Ohio customers and Columbia Gas shut off 46,928.

I have attached a table that includes disconnection data and I will use the total electric and total natural gas disconnections to make a point on the economic impact of disconnections to investor owned utilities concerning these disconnections.

Percentage of Shareholder Dividend Expenditures that Could Prevent Electric Disconnections					
<i>Utility Parent Company</i>	2022 Shutoffs	Average Monthly Bill in Ohio	Cost to Prevent Disconnections	2022 Shareholder Dividends	% of Shareholder Dividends to Prevent Disconnections
AES Corp (full year)	23,077	\$132.03	\$3,046,856.31	\$421,000,000	0.724
First Energy Corp	77,555	\$132.03	\$10,239,586.65	\$891,000,000	1.149
CenterPoint Energy	13,731	\$132.03	\$1,812,903.93	\$489,000,000	0.371
Duke Energy	13,539	\$132.03	\$1,787,554.17	\$3,188,000,000	0.056
American Electric Power	146,075	\$132.03	\$19,286,282.25	\$1,645,200,000	1.17
Total	273,977	\$132.03	\$36,173,183.31	\$6,634,200,000	0.55
<a href="https://www.saveonenergy.com/resources/electricity-bills-by-state/">Average electric bill taken from https://www.saveonenergy.com/resources/electricity-bills-by-state/.</a>					
Percentage of Shareholder Dividend Expenditures that Could Prevent Gas Disconnections					
<i>Utility Parent Company</i>	2022 Shutoffs	Average Monthly Bill in Ohio	Cost to Prevent Disconnections	2022 Shareholder Dividends	% of Shareholder Dividends to Prevent Disconnections
Columbia Gas	46,928	\$148	\$6,945,344.00	\$749,000,000	0.927
Dominion East Ohio	31,070	\$148	\$4,598,360.00	\$3,500,000,000	0.131
CenterPoint Energy	78,396	\$148	\$11,602,608.00	\$1,000,000,000	1.160
Duke Energy	398	\$148	\$58,904.00	\$2,400,000,000	0.002
Total	156,792	\$148	\$23,205,216.00	\$7,649,000,000	0.30
<a href="https://www.forbes.com/home-improvement/living/monthly-utility-costs-by-state/">Average Gas Bill taken from https://www.forbes.com/home-improvement/living/monthly-utility-costs-by-state/.</a>					

Let's walk through electric disconnections first.

There were 273,000 electric disconnections across the state in 2022. The average monthly bill was \$132.03 so the cost to prevent those disconnections was \$36,173,000. However, the 5 investor-owned utilities paid over \$6,634,000,000 to shareholders in the form of quarterly

dividends. Which means ... the cost to prevent all electric disconnections across Ohio, when compared to shareholder dividends was just over one half of one percent.

Now let's do the same thing for the natural gas shut offs. There were 156,000 natural gas disconnections across the state in 2022. The average monthly bill was \$148.00, so the cost to prevent those disconnections was \$23,205,000. However, the 4 investor-owned utilities paid over \$7,649,000,000 to shareholders in the form of quarterly dividends. Which means ... the cost to prevent all the Ohio gas disconnections, when compared to shareholder dividends was less than one third of one percent.

### **Other States Provide More Protection**

As I mentioned, Ohio offers cold weather protection – which is also offered in 41 other states. Ohio also offers a medical condition protection – which is available in 44 other states. Beyond those two buckeye state protections, hot weather protection is available in 20 states. Seniors have protections in 15 states. There are seven states that offer protections if infants and children are in the household. If you have a medical disability, 10 states will grant you a utility disconnection protection.

SB 150 would require utilities to add zip code data to their current annual reporting of disconnection data to the PUCO, and to increase the frequency of the reports from quarterly to monthly. The PUCO rejected consumer advocacy groups' requests for zip code data in 2021 which I believe is a mistake that SB 150 will attempt to correct.

Mr. Chairman and members of the Committee, I think you can agree that Ohio can offer more utility disconnection protections to many more vulnerable Ohioans and not jeopardize the bottom line of the utility companies that have been granted monopoly service areas within our state.

I would welcome any questions at this time.