



November 12, 2025
Before the House Energy Committee
Opponent Testimony on Substitute House Bill 173

Chairman Holmes, Vice Chair Mathews, Ranking Member Rader and House Energy committee members, my name is Frank Strigari. I serve as Vice President, External Affairs for AEP Ohio. Thank you for allowing me to testify today in opposition to Substitute House Bill 173 (Sub. HB 173).

AEP Ohio appreciates this committee's continued interest in regulating submetering companies. As the committee knows, AEP Ohio continues to take proactive steps to resolve this issue positively for submetered customers. In contrast, Sub. HB 173 would not enact sufficient customer protections and is a bill only supported by the submetering industry and those that profit from the practice. Should this legislation pass without amendments and bless the "big-business" of submetering that has evolved in this state over a number of decades, the practice will likely proliferate even more across the state and increase the number of submetered customers while doing little to address the persistent complaints from Ohioans about that practice.

As we have previously discussed, there are numerous appeals pending before the Ohio Supreme Court on this very topic. AEP Ohio continues to believe that the best approach for this committee would be to wait for the Ohio Supreme Court to issue its decisions in those cases before proceeding with any new legislation covering submetering. Alternatively, if the General Assembly chooses to proceed with submetering legislation, Sub. HB 173 still needs substantial amendments in order for the legislation to truly protect Ohio's submetered customers.

To accomplish a more balanced approach, AEP Ohio has previously advocated for certain amendments to Sub. HB 173. Those amendments include allowing the practice of submetering to continue at future "greenfield" developments, while grandfathering existing submetered locations. However, any "conversions" of existing housing developments should be prohibited unless both the utility and the property owner jointly agree to convert the utility's existing customers to submetering.

Attached to this testimony are amendments that would address these ideas, strengthen the bill and offer meaningful protection to customers of submetering companies.

I appreciate the committee's willingness to entertain these important changes, and I look forward to answering any questions.

ADD THE FOLLOWING NEW DIVISION (N) TO RC 4905.03:

“(N) A behind-the-meter utility service provider, as defined in section 4933.51 of the Revised Code, when engaged in the business of behind-the-meter utility service, as defined in section 4905.02 of the Revised Code, on customer premises other than a “greenfield customer premises” as defined in section 4905.02 of the Revised Code.”

AMEND RC 4933.81(A) AS FOLLOWS:

“(A) “Electric supplier” means any electric light company as defined in section 4905.03 of the Revised Code, including electric light companies organized as nonprofit corporations, but not including municipal corporations or other units of local government that provide electric service and includes a behind-the-meter utility service provider under section 4905.03(N) of the Revised Code but only to the extent it is operating on a greenfield customer premises as defined in section 4905.02 of the Revised Code.”

ADD THE FOLLOWING NEW DIVISION (F) TO RC 4933.83:

“(F) A behind-the-meter utility service provider under section 4905.03(N) of the Revised Code may only provide behind-the-meter utility service for consumption on a greenfield customer premises, provided the property owner or utility customer voluntarily requests such service, which activity will not precipitate the need to amend certified territory map under section 4933.82 of the Revised Code since the electric utility in whose certified territory the customer premises is located will serve the utility customer premises. Any behind-the-meter utility service provider that provides utility service, either behind-the-meter or otherwise, that is outside of a greenfield customer premises provides “electric service” and such provision shall constitute a violation of sections 4933.81 to 4933.90 of the Revised Code. Nothing in this division impairs the authority of a municipal corporation under Article XVIII of the Ohio Constitution to regulate, franchise or prohibit activities of a submetering company.”

AMEND SUB. H.B. 173 (I 136 1183-3) AS FOLLOWS:

In line 57 before the semi-colon, insert: “to a greenfield customer premises”

In line 58, insert the following after “(b)”: “A “greenfield customer premises” is where new electric service is established after the effective date of [HB 173] using a master meter configuration to take service from an electric distribution utility and a submetering configuration to deliver electricity to individual residential tenants housed on the premises. As used in this definition, “submetering” is where any device or technology is installed or deployed behind the utility meter at any location on the customer premises and is used by the utility customer or its agent to measure the consumption of electricity by individual residential tenants on the customer premises. A “greenfield customer premises” does not include a facility that is

converted to a submetering configuration after the effective date of [HB 173], which would constitute an abandonment against the public welfare under sections 4905.20 and 4905.21 of the Revised Code. Any such conversion that existed prior to the effective date of [HB 173] is grandfathered and shall not be encompassed by section 4905.03(N) of the Revised Code.

In line 58 before the word “As” insert the following: “(c)”

In line 114, before the period add: “to a greenfield customer premises”

In line 176, replace “public utility customer” with “behind-the-meter utility service provider”

In line 194 after “as” add “either” and replace “of the property” with “or net book value, whichever is higher.”

Delete lines 195-197

In line 199, replace “a regulatory liability” with “revenue in the same manner as if it were sold or salvaged”

In line 209 after “more” insert “for the electric usage metered for its housing unit or personal living space and its pro-rata share of common areas”

In line 212, after “for” insert “the same amount of” and add the following after the period: “All charges and fees referenced in subdivision (H) of section 4933.56 of the Revised Code shall be included in measuring compliance with the cap under this section.”

In line 227 after the semi-colon, insert the following: “Consistent with Section 5321.15 of the Revised Code, no tenant shall be disconnected for nonpayment of rent, including behind-the-meter utility service provider charges for common areas or other facilities charges and fees not directly attributed to a tenant’s use of electricity in its housing unit or living space. Any violation of this subdivision shall be just cause for a tenant terminating its lease without penalty.”

Delete lines 415-420.

In lines 421-422, replace “Unless waived under section 4933.61 of the Revised Code, no” with “No”.

In line 517, replace “hundred” with “thousand”