



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 246
136th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Sen. Smith

Reid J. Fleeson, Attorney

SUMMARY

- Prohibits an electric light company, gas company, or natural gas company from terminating electric or gas service to any residential customer, except for safety reasons, if any of the following apply:
 - The customer's household is the residence of a child age five or younger, person age 65 or older, person with a disability or illness, or person who is currently pregnant;
 - The customer's household income is at or below 200% of the federal poverty level and the customer submits timely income proof or a benefit award letter from certain assistance programs listed in the bill.
- Requires confirmation of a disability, illness, or current pregnancy to be submitted by the appropriate medical professional or certified nurse-midwife and include certain information.
- Establishes a payment plan for the electric and gas service that cannot be terminated and requires the electric light company, gas company, or natural gas company to enter the customer into the plan.
- Provides that the electric light company, gas company, or natural gas company, rather than the residential customer, is financially responsible for costs of providing electric or gas service to the customer exceeding the customer's payment plan amount.
- Prohibits the company from collecting from any customers the costs for providing electric or gas service to residential customers on the payment plan for which the company is financially responsible.
- Requires the Public Utilities Commission (PUCO) to adopt rules to implement the bill that are not subject to the regulatory restriction limitation in current law.

- Modifies the written reports that each energy company must file with PUCO and the Office of the Consumers' Counsel regarding residential electric or gas service disconnections due to nonpayment.

DETAILED ANALYSIS

Prohibition against terminating electric or gas service

The bill prohibits an electric light company (a public utility engaged in the business of supplying electricity for light, power, and heat purposes to Ohio consumers¹), gas company (a public utility engaged in the business of supplying artificial gas for light, power, and heat purposes²), or natural gas company (a public utility engaged in the business of supplying natural gas to Ohio consumers³) from ceasing to provide electricity to, or stop gas from entering the premises of, any residential customer, except for safety reasons, if any of the following are satisfied:

- The customer's household is the residence of a child who is five years old or younger, regardless of the child's relationship with the customer;
- The customer's household is the residence of a person who is 65 years old or more;
- The customer's household is the residence of a person with a disability⁴ or illness,⁵ and a medical professional has submitted confirmation of the disability or illness (see "**Confirmation of disability, illness, or current pregnancy**" below);
- The customer's household is the residence of a person who is currently pregnant, and a medical professional or certified nurse-midwife has submitted confirmation of the pregnancy (see "**Confirmation of disability, illness, or current pregnancy**" below);
- Both of the following are met:
 - The customer's household income is at or below 200% of the federal poverty level;

¹ R.C. 4933.125(A)(2); R.C. 4905.03(C), not in the bill.

² R.C. 4933.125(A)(3); R.C. 4905.03(D), not in the bill.

³ R.C. 4933.125(A)(5); R.C. 4905.03(E), not in the bill.

⁴ The bill does not define the term "disability." However, "disability" is defined in other sections of the Revised Code, such as in R.C. 4112.01, to mean a physical or mental impairment that substantially limits one or more major life activities; a record of a physical or mental impairment; or being regarded as having a physical or mental impairment. The meaning of "disability" as used in the bill likely would need to be determined by a court.

⁵ The bill does not define the term "illness." "Illness" is also not defined in the Revised Code, so its meaning likely would need to be determined by a court.

- The customer submits proof of income not later than 60 days after asserting their household income using either a copy of their Internal Revenue Service Form 1040 or a benefit award letter from any of: (a) Ohio Works First, (b) Supplemental Security Income, (c) Percentage of Income Payment Plan Program, (d) Home Energy Assistance Program, (e) Supplemental Nutrition Assistance Program, (f) Publicly Funded Child Care.⁶

Current law excludes certain entities from the meaning of “public utility,” such as electric light companies that operate not for profit and utilities owned or operated by any municipal corporation. This means that the bill’s provisions do not apply to entities such as municipal utilities providing electric or gas service.⁷

“Medical professional” is defined by the bill as any of the following:

- An individual authorized under R.C. Chapter 4731 to practice medicine and surgery, osteopathic medicine and surgery, or podiatric medicine and surgery;
- An individual licensed to practice as a physician assistant under R.C. Chapter 4730;
- A “clinical nurse specialist,” which is defined under continuing law as an advanced practice registered nurse who holds a current, valid license and is designated as a clinical nurse specialist in accordance with applicable law and rules;
- A “certified nurse practitioner,” which is defined under continuing law as an advanced practice registered nurse who holds a current, valid license and is designated as a certified nurse practitioner in accordance with applicable law and rules;
- A physician appointed by a Board of Health, as described under continuing law.⁸

A “certified nurse-midwife” is defined by the bill and under continuing law an advanced practice registered nurse who holds a current, valid license and is designated as a certified nurse-midwife in accordance with applicable law and rules.⁹

Confirmation of disability, illness, or current pregnancy

The bill requires confirmation of a disability, illness, or current pregnancy, for purposes of the prohibition against terminating electric or gas service, to be submitted to the electric light company, gas company, or natural gas company by the appropriate medical professional or certified nurse-midwife and include all of the following:

- The name of the person to be certified as being a person with a disability, illness, or current pregnancy;

⁶ R.C. 4933.125(B).

⁷ R.C. 4905.02, not in the bill.

⁸ R.C. 4933.125(A)(4); R.C. 3709.13, 3709.14, and 4723.01(H) and (J), not in the bill.

⁹ R.C. 4933.125(A)(1); R.C. 4723.01(I), not in the bill.

- A statement that the person with a disability, illness, or current pregnancy is a resident of the customer’s household;
- The name, business address, and telephone number of the person providing the confirmation;
- A statement that the person in the customer’s household is a person with a disability, illness, or current pregnancy.

The confirmation above is generally required to be provided in writing, although initial confirmation may be provided by telephone if written confirmation is submitted to the company not later than 30 days after the telephone confirmation is provided.¹⁰

Payment plan

The bill establishes a mandatory payment plan for the electric and gas usage of a residential customer whose service cannot be terminated under the bill (see “**Prohibition against terminating electric or gas service**” above). The payment plan must be for the lower of the following amounts:

- 7.5% of the customer’s monthly net income;
- 8.3% ($\frac{1}{12}$ as provided in the bill) of the combined amounts of the customer’s electric and gas bills immediately prior to the customer’s enrollment in the payment plan.¹¹

Financial responsibility

The bill provides that a residential customer subject to the payment plan cannot be financially responsible for any costs of providing electric service or gas service exceeding the customer’s payment plan amount. Instead, the electric light company, gas company, or natural gas company is financially responsible for the costs of providing service to the customer exceeding the customer’s payment plan amount. The company is prohibited from collecting costs that are the company’s financial responsibility from any customer through rates, fares, tolls, rentals, charges, fees, rate mechanisms, or riders.¹²

Rules

PUCO is required to adopt rules to implement the bill’s provisions. But, those rules are exempted from the regulatory restriction reduction limitation in existing law. Current law, unchanged by the bill, required state agencies, including PUCO, to reduce the total number of its regulatory restriction by 30% not later than June 30, 2025. Beginning July 1, 2025: (1) a state agency that has not achieved the required 30% regulatory restriction reduction cannot adopt a new regulatory restriction unless it simultaneously removes two or more other existing

¹⁰ R.C. 4933.126.

¹¹ R.C. 4933.127.

¹² R.C. 4933.128 and 4933.129.

regulatory restrictions until the 30% reduction has been achieved; and (2) the total number of regulatory restrictions in the state cannot exceed a number of such restriction determined by the Joint Committee on Agency Rule Review based. Regulatory restrictions are state agency rules that include words such as “shall,” “require,” and “prohibit.”¹³

Quarterly disconnection reports

The bill modifies the written reports that each energy company must file with PUCO and the Office of the Consumers’ Counsel regarding residential electric or gas service disconnections due to nonpayment to:

- Require each company to file the reports quarterly on or before March 31, June 30, September 30, and December 31 of each year, instead of annual reports by June 13;
- Require the report to include the necessary information, discussed immediately below, by ZIP code for the preceding quarterly period ending on the date that the previous report must be issued, rather than including the information by month for the 12-month period ending the preceding May 31.

Continuing law, unchanged other than requiring the information by ZIP code quarterly, requires the reports to contain information such as, for example, the total number of residential electric or gas service disconnections for nonpayment and the total dollar amount of unpaid bills represented by the disconnections, the total number of electric or gas service reconnections to residential customers whose service was discontinued for nonpayment, and the total number of residential customers.

Current law, unchanged by the bill, defines an “energy company” as every retail propane dealer that distributed propane by pipeline, and every electric light, rural electric, gas, or natural gas company.¹⁴

Current prohibitions against terminating service remain

Existing law both:

- Permits a gas company or natural gas company to stop gas service to a person who does not pay their gas bill; and
- Generally prohibits the termination of electric or gas service by an electric light company, gas company, or natural gas company to residential customers for nonpayment between November 15 and April 15, unless certain requirements are met.

The bill adds an exception to both of the above for the prohibition against terminating service created by the bill (see “**Prohibition against terminating electric or gas service**” above), but otherwise leaves those provisions unchanged.¹⁵

¹³ R.C. 4933.1210 and 4933.1211; R.C. 121.95 to 121.953, not in the bill.

¹⁴ R.C. 4933.123; R.C. 5117.01(D), not in the bill.

Additionally, the bill does not change current law generally prohibiting electric light companies, gas companies, or natural gas companies from terminating service to a residential customer, other than for safety reasons or upon request of the customer, except pursuant to certain procedures, such as reasonable prior notice and a reasonable opportunity to dispute the reason for termination.¹⁶

HISTORY

Action	Date
Introduced	08-19-25

ANSB0246IN-136/sb

¹⁵ R.C. 4933.12 and 4933.121.

¹⁶ R.C. 4933.122, not in the bill.