

**Testimony Before the Ohio Senate Public Utilities Committee on SB 157
June 26, 2018**

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Mr. Chairman, I am here today to testify on Senate Bill 157. First, I want to thank the bill sponsor Senator Kevin Bacon, Chairman Beagle, member of the Public Utilities Committee, Senate President Obhof and the leadership staff for jumping into the utility submetering issue.

Our firm represents the Utility Management and Conservation Association (UMCA), a national trade association representing "traditional" utility submetering companies. The business model of traditional submetering companies is simply to *allocate* master metered utility bills to the owner's tenants based upon actual tenant usage derived from utility meters installed for each tenant. Traditional submetering companies do not mark up the utility rates, instead charging only the actual cost to the property of the master metered utility, plus a competitively derived, reasonable administrative fee.

As has been discussed, SB 157 is NOT being debated because of UMCA members and our goal is simple—to permit the traditional submetering industry to operate in competition with each other and free of government regulation as they have been for over thirty years. We are still digesting the changes made to SB 157 but did have a couple initial thoughts on the current version of the legislation.

We would suggest the substitute version of SB 157 should:

1. Establish traditional utility submetering in an affirmative statement in Ohio law;
2. Increase what is in essence an administrative fee cap from \$6 to \$10 to reflect the current market and add an inflation based fee increase mechanism;
3. Remove any potential PUCO regulation of traditional submetering companies;
4. Not permit municipal water rates to be increased above the actual cost; and
5. Establish state law as the submetering law of the land.

I am sure we will have other changes and thoughts and look forward to working with the Committee in the coming weeks. Thank you and I am glad to answer any questions.