

Committees:

Civil Justice
Criminal Justice
Government Oversight
Public Utilities
Rules and Reference



Contact Information:

Office: 614-466-8258
Email: rep30@ohiohouse.gov

**Majority Floor Leader Bill Seitz
The Ohio House of Representatives**

April 19th, 2023

Chairman Stein, Vice Chair Blasdel, Ranking Member Weinstein, and members of the committee, thank you for the opportunity to present sponsor testimony on HB 79—legislation that I am joint sponsoring with Representative Sweeney. This bill is very similar to HB 389, the energy efficiency bill from last session. The previous iteration of this legislation passed out of the Public Utilities Committee unanimously, but was unable to pass the House due to time limitations during lame duck.

HB 79 is designed to promote the cheapest form of energy that exists: the energy that isn't used by reason of conservation and efficiency. This legislation is the product of extensive negotiation among Ohio's environmental advocates (especially the Environmental Law and Policy Center) and Ohio's investor-owned utilities (AEP, Duke Energy, and AES), all of whom support the bill. It passed unanimously through the House Public Utilities Committee last session.

Unlike the energy efficiency programs that had been previously legislated, this bill:

- Is focused principally on residential electricity consumers who often lack the sophistication to know how best to save on their electric bill.
- Allows any residential customer a front-end option not to participate in the Energy Waste Reduction program, an option that may be exercised again every three to five years for customers that had opted-in to those programs.
- Permits commercial and mercantile customers to participate in the programs only if they affirmatively opt-in to the program.
- Contains targets that utilities' programs must meet that are appreciably lower (.5% energy reduction per year) than were the energy mandates of the past (2% per year).
- Caps the maximum monthly fee chargeable to participating customers at \$1.50 and caps the maximum annual spend by each utility, all as subject to PUCO audit.
- Defines what kind of programs can be PUCO-approved in such a way as to exclude gimmicks that are not truly conducive to achieving energy efficiency, and highlights the

kind of methods that are truly most conducive to getting the best bang for the buck (e.g., smart thermostats).

- Requires real proof, satisfactory to PUCO, that the approved programs actually have saved customers more money than the programs cost to implement.
- Contains a special focus on developing programs for low-income residential customers, which will save non-low income customers money because they currently are charged for “bill payment assistance” to pay the electric bills for low-income customers whose residences are energy inefficient.
- Doesn’t mandate that utilities file Energy Waste Reduction programs, but defines the criteria if they do.

Moreover, in collaboration with the Senate and members of the House, we have introduced HB 79 with additional improvements. One of which provides additional opportunities to opt out of the programs prescribed by the bill and extends the time period in which to do so. Another requires any utility offering an energy efficiency program under the bill, to accommodate the participation of small businesses as trade allies in all the counties within the utility’s service area under the utility’s proposed energy efficiency programs. The final change prohibits a utility from inducing a party relating to a portfolio application, into a cash settlement, or entering into any agreement that is not part of the public case record.

Last session, some members got the wholly incorrect idea that customers who choose to participate in the programs will be compelled to purchase the energy-saving devices offered through the programs. This is absolutely false: participating customers may choose to take advantage of the discounts offered by the utility, or not, as they see fit.

This legislation has the potential to be the first major piece of bipartisan jointly-sponsored energy legislation to pass in over a decade. With your help, we can make that happen.

Thank you again for the opportunity to provide sponsor testimony on HB 79— we would be happy to answer any questions at this time.