

Annual Report 2010



Office of the Ohio Consumers' Counsel
"Your Residential Utility Consumer Advocate"



Office of the Ohio Consumers' Counsel

"Your Residential Utility Consumer Advocate"

- The Office of the Ohio Consumers' Counsel (OCC), the residential utility customer advocate, was created in 1976 by the Ohio General Assembly to represent the interests of the residential customers of Ohio's investor-owned electric, natural gas, telephone and water companies.
- The primary role of the OCC is to participate in legal proceedings in both state and federal courts and administrative agencies, such as the Public Utilities Commission of Ohio, the Federal Energy Regulatory Commission, the Federal Communications Commission and the Supreme Court of Ohio.
- The OCC staff, which includes attorneys, economists, engineers, investigators and other highly skilled professionals, advocates diligently on behalf of Ohio's residential utility customers.
- The OCC also educates customers, provides information about utility services and handles residential complaints relating to public utilities.
- The legislature, in establishing the OCC, decided funding for the agency would not come from Ohio's General Revenue Fund. Instead, the OCC's budget is underwritten by assessing a fee on the intrastate gross earnings or receipts of Ohio's investor-owned public utility companies.
- In State Fiscal Year 2010-11, the OCC saved Ohio's residential utility customers more than \$54.8 million directly on its own and \$1.9 billion in collaboration with other parties with the OCC in a lead role.
- In 2011, the OCC celebrates 35 years of advocacy. During that time, the agency has saved all utility customers more than \$10 billion.

Throughout the sections of this annual report are highlights of the OCC accomplishments for 2010.

Janine Migden-Ostrander



Jerome G. Solove



Roger Wise



Joe Logan



John Moliterno

The Office of the Ohio Consumers' Counsel

► Mission

The OCC advocates for Ohio's residential utility consumers through representation and education in a variety of forums.

► Vision

Informed consumers able to choose among a variety of affordable, quality utility services with options to control and customize their utility usage.

► Core Values

Respect

We will treat each other, our partners and the public with consideration and appreciation.

Justice

We will advocate for what is fair for Ohio's residential utility consumers.

Communications

We will share information and ideas to contribute to the making of optimal decisions by our colleagues and ourselves.

Excellence

We will produce work that is high quality and we will strive to continuously improve our services.

Integrity

We will conduct ourselves in a manner consistent with the highest ethical standards.

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A message from Janine Migden-Ostrander

Consumers' Counsel



For 34 years, the Office of the Ohio Consumers' Counsel (OCC) has served as the sole statutorily appointed representative of the state's 4.5 million residential utility customers. The work of the OCC year in and year out has saved residential customers billions of dollars in utility costs. In a time of economic uncertainty and record-level unemployment, this office and its advocacy to keep rates reasonable for Ohioans are especially needed.

In 2010, the OCC was involved in 296 cases at the Public Utilities Commission of Ohio (PUCO), Supreme Court of Ohio, Federal Energy Regulatory Commission, and the Federal Communications Commission advocating for fair and reasonable rates and other issues for residential customers. This has been an especially noteworthy year for the OCC staff and our partners. In State Fiscal Year 2010-11, the OCC saved Ohio's utility customers more than \$54.8 million directly on its own and \$1.9 billion in collaboration with other parties with the OCC in a lead role.

Our advocacy in the electric industry was largely in response to filings by investor-owned utilities as a result of Ohio's electric energy law. The OCC's work was instrumental to protecting residential customers' interests in a new electric security plan, significantly excessive earnings tests, energy efficiency portfolios, renewable energy and smart grid plans. The OCC's involvement in these cases helped ensure the integrity of Ohio law and progress toward keeping rates reasonable for all customers.

The OCC worked diligently to develop a solution for FirstEnergy all-electric customers who experienced bills that, in some instances, climbed 300 percent higher than last winter. While credits were established to reinstate bills to their 2008 levels, the case lingered throughout 2010 and the OCC continues its advocacy into 2011.

For natural gas customers, the OCC's advocacy for wholesale auctions was proven successful in reducing rates for many residential Columbia Gas customers. Complaints about deceptive door-to-door marketing practices also resulted in favorable protections for customers as the OCC assisted in limiting an independent natural gas supplier from using unfair tactics to gain business.

The implementation of Ohio's telephone deregulation law dominated the OCC's work in the telecommunications industry. With our partners in Ohioans Protecting Telephone Consumers, the OCC preserved some of the protections for customers who only want basic local telephone service.

The OCC advocated for restrictions in the level of rate increases granted in several water industry cases before the PUCO. In one instance, a utility asked for a sixth rate increase since 2000, pushing the OCC to search for alternative ways to provide relief for customers. In 2010, the OCC worked with several legislators to promote legislation that would limit the amount of rate case expenses large water and sewer companies could charge customers. The increased amounts of water and wastewater bills also prompted the OCC to negotiate and secure shareholder funds to assist low-income customers who have trouble paying those bills.

The work of the OCC staff is as important as ever. The landscape of utilities in Ohio and across the nation is changing rapidly. Advocates such as the OCC are needed to protect residential customers' interests, keep their utilities connected and their costs fair and reasonable.

As we look toward 2011 and the challenges on the horizon for residential utility customers, I would like to thank Gov. Ted Strickland and Attorney General Richard Cordray and members of the General Assembly for their support of the OCC and our mission. I look forward to working with the new administration under Gov. John Kasich and to continuing the good working relationship between the Attorney General's office and the OCC under Attorney General Mike DeWine.

I would also like to thank the staff of the OCC for their unwavering commitment to working for Ohioans every day. I want to express my gratitude to each member of the OCC's Governing Board, who is dedicated to guiding the OCC in its mission to represent the state's residential utility customers. Finally, I want to thank the thousands of Ohio customers who have worked with and contacted the OCC, helping shape utility regulation, policy and prices. It is my pleasure to work with and on behalf of each of you every day.

Janine L. Migden-Ostrander
Consumers' Counsel

A message from Jerome G. Solove Governing Board Chairman

As Ohioans continued to struggle in a difficult economy in 2010, the Office of the Ohio Consumers' Counsel (OCC) advocated vigorously and successfully on behalf of the state's 4.5 million residential utility households as it has for more than three decades. The nine-member OCC Governing Board is honored to present the Ohio General Assembly with this annual report of accomplishments.

The OCC Governing Board is proud of the work that the OCC's dedicated, hardworking employees, led by Janine Migden-Ostrander performed during 2010. The office uses its resources conservatively, yet effectively, to provide benefits to Ohio utility customers as required by statute. During the past year, the savings for customers have been substantial – more than \$54 million through our individual efforts and \$1.9 billion in cases where we worked with other groups.

The OCC is funded through an assessment on the gross intrastate earnings on the utility companies. This means the OCC is a win-win for Ohio. The OCC does not strain the struggling state's general revenue fund and helps keep rates more affordable with the advocacy services it provides to the residents of Ohio. These services also benefit business customers, such as when the OCC advocates to reduce utility requests for revenue increases, because the savings the OCC achieves are allocated to all business customers from the small commercial to the large industrial. Further, savings the OCC achieves in cases before the PUCO and in the courts remain with Ohioans and strengthen our economy. Through annual direct reductions to utility bills, far in excess of our \$8.5 million annual budget, the OCC enables residential customers to save their hard earned dollars.

However, there is still much work to do as Ohio families experience the strain of our economy. Many Ohioans remain out of work. More than 15 percent of our families are living at or below the federal poverty level. More than 85,000 new foreclosures were reported in 2010. This past year, one in 10 residential customer households faced disconnection for non-payment of their electric or natural gas utility services. This dire situation made paying utility bills even more difficult and underscored the need for the OCC.

In 1976, residential utility customers were severely challenged by high utility bills. Responding to citizen demands, the Ohio Legislature spent the better part of a year reforming the state's public utility regulation and rate-making process. As part of that reform, the 111th General Assembly had the wisdom to recognize the need for better representation of residential customers and created the Office of the Ohio Consumers' Counsel. The legislation creating the OCC was signed into law by Gov. James Rhodes.

Next year, the OCC will mark its 35th year of working tirelessly on behalf of Ohioans. As the only statutory representative for all of Ohio's residential customers, it has to date saved utility customers \$10 billion in avoided utility costs. Under the leadership of Ms. Migden-Ostrander, the OCC has been able to absorb a decrease in the agency's operating budget of 8.5 percent since 2005, while at the same time handling a caseload that has increased more than 100 percent. It is the commitment of this governing board that the OCC will continue to find the best solutions for utility customers and help build a stronger Ohio.

On behalf of the Governing Board, I wish to thank Gov. Ted Strickland, Attorney General Richard Cordray and the 128th General Assembly for their support of the OCC in 2010. As we look to 2011, I offer our cooperation to Gov. John Kasich, his administration, Attorney General Mike DeWine, his staff, and the new Ohio General Assembly. The OCC will continue in its passionate commitment and advocacy on behalf of Ohio's residential utility customers. The Governing Board has every confidence that the OCC and its dedicated staff will remain resolute in carrying out this critical responsibility for Ohio's citizens.



Jerome G. Solove
OCC Governing Board Chairman

Governing Board Members



Jerome G. Solove



John Moliterno



Gene Krebs



Dorothy L. Leslie



Joe Logan

About the Governing Board

By statute, the Ohio Attorney General appoints the Office of the Ohio Consumers' Counsel (OCC) bipartisan, nine-member Governing Board. The Board consists of three members representing organized labor, residential customers and family farmers, respectively. No more than five members of the Board may be from the same political party. Board members are confirmed by the Ohio Senate and serve three-year terms. The OCC Board is responsible for appointing the Consumers' Counsel and Deputy Consumers' Counsel. The OCC Governing Board conducts regular public meetings every other month in Columbus.

Jerome G. Solove, chairman

**Chairman, 1999 – present
Board member, 1998 – present
Representing residential customers
Hometown: Powell**

Jerome G. Solove is the president and owner of the commercial real estate firm, Jerome Solove Development, Inc., headquartered in Columbus. Mr. Solove is a member of the International Council of Shopping Centers, as well as a former board member of the Columbus Area Apartment Association and the Rickenbacker Port Authority in Franklin County. Mr. Solove earned a Bachelor of Science degree in business administration with dual majors in real estate and finance from The Ohio State University. Mr. Solove also completed a year of study at the London School of Economics.

John Moliterno, vice chairman

**Vice chairman, 2006 – present
Board member, 2003 – present
Representing residential customers
Hometown: Girard**

John Moliterno is president and chief executive officer of Pegasus Printing Group, which includes printing-related companies in Ohio and Pennsylvania. In addition, he is the treasurer of the City of Girard. Previously, Mr. Moliterno served as president and chief executive officer of the Youngstown/Warren Regional Chamber of Commerce. He is a board member of the Youngstown State University Penguin Club and Better Business Bureau of Mahoning Valley, and chairman of the Trumbull County Workforce Development Board. Mr. Moliterno is a graduate of The Ohio State University with post-graduate studies at the University of Notre Dame.

Gene Krebs

**Board member, 2005 – present
Representing residential customers
Hometown: Camden**

Gene Krebs is co-director of Greater Ohio, an organization working to revitalize Ohio communities through land use reforms. He served as a state representative for House District 60 from 1993 – 2000. Mr. Krebs serves as a board member of the Ohio Mathematics and Science Coalition. Additionally, he is a member of the Camden Chamber of Commerce and the Preble County Farm Bureau. Mr. Krebs graduated from Bowling Green State University with a bachelor's degree in biology, and has published articles in both scientific publications and the general press, such as *The Wall Street Journal*.

Dorothy L. Leslie

**Board member, 2001 – present
Representing family farmers
Hometown: Upper Sandusky**

Dorothy L. Leslie and her husband have operated a family farm since 1951. Mrs. Leslie served as state executive director of the Agricultural Stabilization and Conservation Service from 1989 – 1993. She served as chairperson of the state committee of that agency from 2001 – 2009 and has received multiple awards from the U.S. Secretary of Agriculture for her service to the farmers of Ohio. As a registered nurse, she served as a medical research associate working with farmers for The Ohio State University. She is an active member of a number of farm organizations, community projects and her church.

Joe Logan

**Board member, 2007 – present
Representing family farmers
Hometown: Kinsman**

In addition to being an active farmer, Joe Logan serves as director of agricultural programs for the Ohio Environmental Council. He is the past president of the Ohio Farmers Union and served on the board of directors of the National Farmers Union, where he was chairman of the Budget and Audit Committee and vice chairman of the Legislative Committee. He previously served as president of the National Association of Farmer Elected Committees, representing the interests of locally elected committees in 2,500 Farm Service Agency offices nationwide.

Governing Board Members



David McCall



Karen "Dee" Osterfeld



Anthony Peto



Roger Wise



Harold Cassel



Michael Watkins

David McCall

Board member, 2007 – 2010

**Representing organized labor
Hometown: Reynoldsburg**

David McCall is director of District 1 (Ohio) for the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (United Steelworkers). He also serves as secretary of the union's Constitution Committee and chairs the union's negotiating committees for several of the member companies. Mr. McCall attended the labor studies program at Indiana University – Northwest and graduated from the Harvard Trade Union Program.

Karen "Dee" Osterfeld

Board member, 2009 – 2010

**Representing organized labor
Hometown: Centerville**

Karen "Dee" Osterfeld joined the Montgomery County Sheriff's Office in 1986, where she has served as a patrol deputy, evidence technician and detective. She has supervised the jail division, road patrol, traffic services, forensic services, the School Resource Officer and DARE programs. In 2004, she was promoted to captain and assigned to the Operations Division as the commander of the Washington Township Substation. She is a trained hostage negotiator and is commander of the regional hostage negotiation team. She holds an associate degree in law enforcement from Sinclair Community College and a bachelor's degree in public safety management from Franklin University. An active member of the Fraternal Order of Police, she was treasurer of Lodge 104 from 1996 – 2000.

Anthony Peto

Board member, 2009 – present
Representing organized labor
Hometown: Chesterland

Anthony Peto serves as state political director for the Ohio Vicinity Regional Council of Carpenters (OVRCC). Previously, Mr. Peto served as an organizer for the OVRCC and as a journeyman carpenter with experience working on commercial projects, including single family homes and condominiums. He graduated from the Harvard Trade Union Program and graduated from a four-year carpentry trade program at the Joint Apprenticeship Training Center in Richfield.

Roger Wise

Board member, 2006 – present

**Representing family farmers
Hometown: Fremont**

Roger Wise is supervisor for the Sandusky Soil and Water District and president of the Ohio Farmers Union. He is a trustee for Jackson Township in Sandusky County and previously served on the county's boards of education and health. He is vice president of the Farmers Union in Sandusky County.

Harold Cassel

Board member, 2010 – present

**Representing organized labor
Hometown: Castalia**

Harold Cassel was appointed to the Governing Board in 2010. Mr. Cassel is retired from the Chrysler Corp. and was an international representative of the United Auto Workers (UAW). He became a member of the UAW in 1974 at the Chrysler Plastics facility in Sandusky. He served in several positions, including president and chairperson of Local 1879 and on various regional advisory councils. He worked on organizing campaigns in Ohio, Indiana, Illinois and Michigan. Mr. Cassel was appointed to the International UAW staff in October 1995.

Michael A. Watkins

Board member, 2010 – present

**Representing organized labor
Hometown: Elida**

Michael A. Watkins has served as a member of the Fraternal Order of Police (FOP), Lima Lodge No. 21 since 1976, when he began his career as a police officer in the city of Lima. He currently is serving his third term as president of FOP Lodge No. 21 after working for 12 years as its secretary. Mr. Watkins was trustee of the FOP's 6th district from 1993 – 1995 and re-elected to the position, which he has held since 2007. As a civilian employee with the Lima Police Department, Mr. Watkins developed a series of video and audio public service announcements and a television program demonstrating activities and the work of various special department units. He attended The Ohio State University-Lima campus where he studied psychology.

OCC Directors



Janine L.
Migden-Ostrander



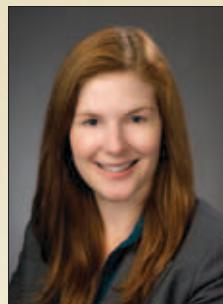
Bruce J. Weston



Aster Rutibabalira
Adams



Beth Gianforcaro



Amy Gomberg



Charles Repuzynsky

Consumers' Counsel

Ohio Consumers' Counsel Janine L. Migden-Ostrander oversees the state agency that represents the interests of Ohio's 4.5 million residential households in matters concerning their investor-owned electric, natural gas, telephone and water utilities.

Ms. Migden-Ostrander was sworn into office April 5, 2004, by then Ohio Attorney General Jim Petro. Prior to her appointment by the Ohio Consumers' Counsel Governing Board, Ms. Migden-Ostrander was a partner in the law firm of Hahn Loeser & Parks and served as co-chair of the firm's Utility and Regulatory Practice Group.

In her role as consumers' counsel, Ms. Migden-Ostrander has championed a variety of energy, telecommunications and water policies. They include integrated portfolio management, alternative energy, energy efficiency programs, innovative rate designs in the energy industry, delivery of broadband services and other technologies to rural and urban customers. Ms. Migden-Ostrander also has made it an agency priority to find solutions for the increasing number of customers who struggle to keep pace with rising utility prices. She is intent on addressing ways to improve traditional avenues of advocacy, outreach and education programming. She also works to increase the effectiveness of the regulatory process to ensure fairness for customers.

With more than 30 years of experience, Ms. Migden-Ostrander is well-known within the utility and environmental industries as a strong customer advocate. She began her career in public utilities at the Office of the Ohio Consumers' Counsel (OCC), where she served as an administrative assistant before earning a law degree from Capital University Law School. She then was promoted to assistant consumers' counsel and litigated a variety of cases involving state-regulated electric, natural gas, telephone and water utilities.

Ms. Migden-Ostrander's previous experience also includes serving as senior director of government affairs for Enron Corp. and as special prosecutor for Montgomery County. She has been involved in proceedings before numerous state utility commissions, and has monitored activities and worked on policy issues involving state and federal energy and telecommunications matters. In addition, she has worked on legislation in numerous states involving a variety of issues, including electric and natural gas competition.

Ms. Migden-Ostrander has earned recognition through numerous awards, including the Inspiring Efficiency Leadership Award presented by the Midwest Energy Efficiency Alliance and the 2007 Public Servant Award from the Ohio Environmental Council.

Ms. Migden-Ostrander is in the Leadership Group of the National Action Plan for Energy Efficiency, on the National Coal Council, a federal advisory committee to the U.S. Secretary of Energy, a member of the executive committee and past secretary of the National Association of State Utility Consumer Advocates and on the board of the Midwest Energy Efficiency Alliance. She is a past board member of Green Energy Ohio, Ohio Partners for Affordable Energy, the Ohio Environmental Council and the National Low Income Energy Consortium. She earned a Bachelor of Arts degree from the State University of New York and earned a Certificat de la Langue et Civilisation Francaise from the Universite de la Sorbonne in Paris, France.

Deputy Consumers' Counsel

Deputy Consumers' Counsel Bruce J. Weston is the director of the Legal Department and contributes to the formulation of policy for the OCC and its Governing Board. In addition, he fulfills Janine Migden-Ostrander's role as consumers' counsel in her absence.

The staff of the Legal Department works with others in the agency to represent the interests of residential customers in utility proceedings before the courts and regulatory commissions at both the state and federal levels. The legal staff has extensive experience in negotiation and litigation of utility proceedings. Their responsibilities also include review of proposed changes to state laws and administrative rules.

Mr. Weston brings more than 25 years of experience in public utilities law to the OCC. He is committed to protecting the interests of Ohio residential utility customers. His priorities for the OCC include advocating for reasonable rates, competitive choices, advanced technologies and maintaining good service quality for residential utility customers throughout Ohio.

Prior to joining the OCC for a second time in October 2004, Mr. Weston was in private law practice. He served as legal counsel for clients in cases involving utility rates, service quality, industry restructuring and competition.

Mr. Weston began his career at the OCC in 1978 as a law clerk. After earning his Juris Doctor degree from The Ohio State University College of Law in 1980, he began a 12-year tenure as counsel for the agency. Mr. Weston is the current chairperson of the Public Utilities Law Committee of the Ohio State Bar Association.

Analytical Services

Aster Rutibabalira Adams joined the OCC in November 2005 as director of the Analytical Services Department. He is responsible for overseeing the review of the accounting, economic and financial analyses associated with utility rate filings and other regulatory proceedings. He provides advice and recommendations concerning technical and policy issues related to utility regulation and legislation.

Before joining the OCC, Dr. Adams was chief of the Economic Analysis Division/Competitive Markets and Policy Division of the Tennessee Regulatory Authority. He was responsible for investigating and making recommendations about cost, pricing, rate design and allegations of anticompetitive practices. He also identified and analyzed market trends, including monitoring and evaluating the impact of agency decisions on market outcomes in the electric, natural gas, telecommunications, water and wastewater industries.

Prior to moving to the United States from Rwanda in 1990, he was an assistant professor at the National University of Rwanda where he taught econometrics, macroeconomics, microeconomics, statistics, monetary theory and industrial organization theory. He holds a bachelor's degree and a licentiate degree in economics from the National University of Rwanda. He earned a master's degree in economic development and a doctorate in economics from Vanderbilt University. His dissertation was titled "The Impact of Deregulation on Cost Efficiency, Financial Performance, and Shareholder Wealth of Electric Utilities in the United States." In it, he argued any evaluation of the effectiveness of deregulation of electric utilities in the United States must consider the selection bias implicitly embedded in the data and the input and output price differentials evident across utilities.

Communications

Beth Gianforcaro joined the OCC as director of Communications in October 2007. She held a similar communications position at the OCC from 1986 – 1992. She manages a staff of communications experts in the planning and implementation of public and media relations activities, outreach and education efforts, the development of printed materials and the OCC website.

Ms. Gianforcaro has more than two decades of experience managing award-winning communications programs for several State of Ohio government agencies, including the Ohio Environmental Protection Agency, the Public Utilities Commission of Ohio, the Ohio Rehabilitation Services Commission and the Office of the State Treasurer.

She is active in professional communications organizations, including the Central Ohio Chapter of the International Association of Business Communicators, and serves on the board of directors for the Central Ohio Chapter of the Society of Professional Journalists. She holds bachelor's degrees in English-journalism and speech communications from Miami University, Oxford, and is completing a Master of Science degree in journalism from Ohio University's E.W. Scripps School of Journalism.

Government Affairs

Amy Gomberg joined the OCC as director of Government Affairs in October 2009. She serves as liaison between the OCC and the Ohio General Assembly and the United States Congress. She represents the agency in all legislative hearings and communicates OCC policies and positions on utility issues and pending legislation.

Prior to joining the agency Ms. Gomberg was program director and acting state director for Environment Ohio, which she helped launch in 2006. At Environment Ohio, she worked to advance environmental and energy programs and policies throughout the state. Prior to her work with Environment Ohio, Ms. Gomberg was the environmental associate with the Ohio Public Interest Research Group and the Columbus citizen outreach director for the Fund for the Public Interest. Ms. Gomberg also has worked for several other non-profit organizations including Green Corps, the New Voters Project and Corporate Accountability International. Ms. Gomberg received a Bachelor of Arts in earth and environmental sciences from Wesleyan University in Middletown, Conn.

Operations

Charles Repuzynsky joined the OCC as director of Operations in July 2005. He oversees the Operations Department, which encompasses the Administration and Consumer Services divisions. His area of responsibilities includes finance, budgeting, strategic planning, human resources, information technology and consumer services.

Prior to joining the OCC, Mr. Repuzynsky served as the chief financial officer for the Ohio Historical Society, a non-profit quasi-government organization. He also is a member of the Institute of Management Accountants, the American Payroll Association, the Association of Government Accountants and the Society for Human Resource Management. He holds a bachelor's degree in business administration with a major in accounting from The Ohio State University.



Introduction and Overview

In 2010, the Office of the Ohio Consumers' Counsel (OCC) was involved in legislative efforts dealing with the telecommunications, water and energy industries. While the 128th General Assembly debated many of these proposals, only one piece of legislation, Substitute Senate Bill 162 (SB 162) that dealt with Ohio's telecommunications industry, was signed into law.

Telecommunications Policy

In June 2010, after nearly 10 months of debate, the Ohio Legislature passed SB 162. Although unable to support the passage of the legislation, the OCC worked with dozens of customer groups and lawmakers throughout the legislative process to make several important improvements. The OCC remains concerned about the possible effects of the new law on customers with basic telephone service, those with bundles and packages of telephone services and low-income Lifeline customers. The new law retains some safeguards for customers with basic local telephone service. However, the protections are much weaker, particularly for customers with bundles or packages of services, than they were for Ohioans before the law was passed.

During the process, the OCC worked with several advocacy organizations in the coalition, Ohioans Protecting Telephone Consumers (OPTC). The coalition argued

further deregulation of the industry sought by major telephone companies and other special interest groups should not leave customers with diminished telephone services at higher prices.

The original bill introduced in the Ohio Senate allowed telephone companies to raise their rates for basic telephone service \$1.25 per month each year (or \$15 annually) in a telephone exchange, regardless of whether service was provided by a competitor anywhere in the area. The OCC's efforts helped improve the bill by requiring telephone companies to show a competing service is available from at least two other telephone providers in any part of a telephone exchange before its basic service rates could be increased. While this still will allow rate increases for customers in some areas of the state where no competing service is available, it was an improvement from the original version of the bill.

The original bill also eliminated or weakened dozens of customer protections previously in place. The OPTC helped improve the bill by ensuring customers with basic local telephone service continued to receive some protections they had before the legislation. However, customers with bundles or packages of telephone services will lose these protections.

Definitions of Telecommunications Terms

Basic telephone service: Landline service that includes unlimited local calling only. Telephone companies must allow customers to have access to the long distance carrier of their choice. Telephone companies also allow customers to purchase other services (such as caller ID, voice mail, etc.) on an individual basis in addition to their basic service.

Bundles and/or packages: Services sold together for a single price. Bundled or packaged services may include, along with local service, combinations of local telephone service features such as caller ID and voice mail, long distance, wireless, cable television, Internet and other services.

Exchange: The geographic area where a traditional telephone company has an obligation to provide local service.

Lifeline: A program that allows income-eligible telephone customers to receive a discount on their telephone service.



Government Affairs

Finally, the OPTC's advocacy efforts on behalf of low-income telephone customers froze Lifeline rate increases for one year and created a two-year pilot program for a service that will allow some Ohioans in distress access to a free voice mail service.

A committee of eight members, including a representative from the OCC, was established to review the impact of the new law. This committee will issue its report by Sept. 13, 2014. The OCC will include information received from customers as part of this review.

Water Policy

While most areas of Ohio receive water and sewer services through publicly owned and managed utilities, some areas are serviced by private water companies. The rates that these companies may charge their customers are set by the Public Utilities Commission of Ohio (PUCO). The OCC often intervenes in rate cases on

behalf of residential customers. Water rate cases can be resource-intensive, requiring a full review of all financial information submitted by a utility. Often, these cases incorporate the services of attorneys, consultants, expert witnesses and utility employees, and include the presentation of studies and other evidence by the company. Under Ohio's current law, a private water or sewer company filing for a rate increase before the PUCO may pass 100 percent of its rate case expenses to its customers through increased rates.

The OCC worked with a bipartisan group of state legislators, including Reps. Jay Goyal, Cheryl Grossman and Marian Harris and Sens. Jim Hughes and David Goodman, to provide evidence that residential customers were paying too much given the number of rate cases filed by water companies. In November 2009, House Bill 344 (HB 344) was introduced in the House of Representatives.



Steve Kennedy, Prairie Township trustee, testifies in support of HB 344 to the House Public Utilities Committee.

Support for House Bill 344 & Senate Bill 228

The village of North Kingsville, cities of Kirtland and Marion, Mid-Ohio Regional Planning Commission (MORPC) and 12 townships passed resolutions declaring their support.

The townships included:

Blendon, Clinton, Perry, Prairie, Pleasant, Jackson, Madison, Norwich, Sagamore Hills, Shalersville, Sharon and Truro.

A companion bill, Senate Bill 228 was introduced in February 2010. Both bills sought to limit the impact water rate case expenses can have on residential customers' bills by capping the portion of rate case expenses water companies could recover at 50 percent.

The legislation received overwhelming support from customers and local governments serviced by Ohio's larger private water companies. The village of North Kingsville, cities of Kirtland and Marion, Mid-Ohio Regional Planning Commission (MORPC) and 12 townships passed resolutions declaring their support. The townships included: Blendon, Clinton, Perry, Prairie, Pleasant, Jackson, Madison, Norwich, Sagamore Hills, Shalersville, Sharon and Truro.

HB 344 was approved with bipartisan support by the House of Representatives' Public Utilities Committee, sending the bill to the full chamber for consideration. However, no further action was taken on the measure before the legislative season came to an end at the end of 2010.



Paul E. Kostyu

Consumers' Counsel Janine L. Migden-Ostrander, right, listens to the concerns of residential customers at HB 344 hearings at the Ohio Statehouse.

Electric Policy

During the 2009-2010 winter heating season, the Office of the Ohio Consumers' Counsel (OCC) received hundreds of complaints from FirstEnergy's all-electric customers about significantly large increases to their monthly electric bills. Changes FirstEnergy made to its rates, including the removal of a long-standing discounted rate for customers who

lived in all-electric homes, accounted for the higher bills. (*Please see the Electric section of this report on Page 15 for a detailed summary of the OCC's actions in this matter.*)

As Ohio's elected leaders became aware of the problem, political pressure was placed on FirstEnergy as well as the Public Utilities Commission of Ohio (PUCO) to take immediate action providing rate relief for the all-electric customers. Gov. Ted Strickland wrote a letter to the PUCO requiring its immediate attention to the issue.

Sen. Tim Grendell (District 18-Chesterfield) and Sen. Tom Patton (District 24-Strongsville) introduced legislation (Senate Bill 236) to restore the all-electric discount; Sen. Grendell also filed a lawsuit against FirstEnergy; Rep. Matt Lundy (District 57-Lorain), the chairman of the Consumer Protection Committee, held a public

"FirstEnergy for 40 years made promises about all-electric heating programs. They gave incentives to builders. Now they have a captive audience. They are squeezing the life out of these people."

*Sen. Tim Grendell (R),
District 18-Chesterland*

committee hearing on the issue; and several state legislators wrote letters to the PUCO and held local public meetings to give their constituents an opportunity to voice their concerns and seek additional information.

The OCC took a comprehensive approach to resolving the all-electric problem by working with local and state officials to advocate for a reasonable solution for the all-electric customers. The OCC participated in numerous town hall meetings, provided legislative testimony and assisted hundreds of individual customers.

By the end of 2010, the all-electric case had not been decided by the PUCO. The OCC is continuing to work with the Citizens for Keeping the All-Electric Promise (CKAP) and others to find a reasonable solution for all of FirstEnergy's residential customers.



Ryan Lippe

OCC Director of Government Affairs Amy Gomberg addresses customers during a public meeting held in Strongsville by legislators, including Rep. Matt Patten (pictured) about FirstEnergy's all-electric rates.



Introduction and Overview

Excessive earnings, discounts and new rate plans were the focus of electric activity the Office of the Ohio Consumers' Counsel (OCC) faced in 2010. American Electric Power (AEP) and FirstEnergy were at the forefront of the OCC's advocacy efforts. One AEP operating company's earnings were significantly excessive while FirstEnergy tried to gain quick approval of its electric security plan and reduced discounts to all-electric customers who saw winter bills soar to unprecedented levels.

Each of these electric cases received considerable attention from customers who looked to the OCC for assistance to ensure their rates would stay reasonable.

OCC opposes FirstEnergy rate plan

The Office of the Ohio Consumers' Counsel (OCC) asked the Public Utilities Commission of Ohio (PUCO) to reject an agreement filed by FirstEnergy in March because it would harm residential customers. The agreement, approved in August, established the utility's overall rates through an electric security plan for June 2011 – May 2014.

The plan included several elements the OCC opposed that would unnecessarily raise residential customers' rates.

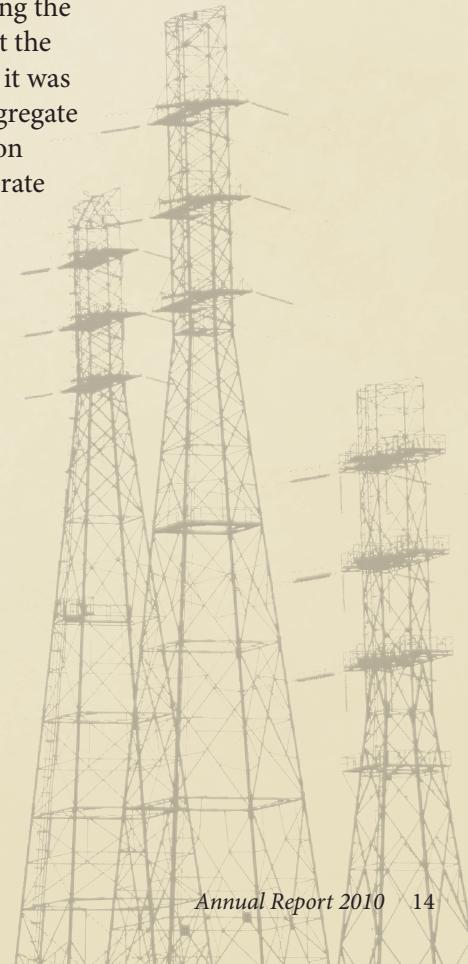
Among them were:

- ▶ A delivery capital recovery charge that replaced the current delivery system improvement charge. The new charge allows FirstEnergy to collect up to \$390 million in quarterly increases over two and a half years without a process to evaluate all components of distribution rates for the reasonableness or prudence of the utility's decision-making. The current charge expires in December 2011;
- ▶ A FirstEnergy decision to switch regional transmission organizations. Under the proposed plan, the utility agreed to charge customers for certain costs related to this switch while absorbing other costs. The OCC contended FirstEnergy made a business decision to switch regional transmission organizations to benefit its competitive affiliate. Captive customers of its regulated distribution companies should not be responsible for any of the costs associated with the switch; and
- ▶ Economic development arrangements that could cost customers millions of dollars. The OCC argued the deals should have been fully reviewed and should have required provisions guaranteeing accountability for jobs creation. This would be the only way to ensure the money customers spent for economic development and jobs actually resulted in those jobs being created.

When FirstEnergy filed an agreement among many parties—not including the OCC—for a proposed electric security plan, it asked for an accelerated schedule. The PUCO initially accepted the accelerated schedule which gave the OCC only about six weeks to build a case to advocate on behalf of residential customers. In contrast, Ohio's electric energy law allows 275 days for the PUCO to rule on an electric security plan. The OCC argued more time should have been granted to prepare and litigate this case.

In August, the PUCO approved the FirstEnergy agreement, with some modifications. The OCC filed an application for rehearing on many aspects of the decision, including the PUCO's failure to reject the proposed plan because it was less favorable in the aggregate than securing generation supply under a market rate option. The OCC supported the least cost market option over the regulated option. The rehearing request was still pending a PUCO decision at the end of 2010.

*Case No.
10-388-EL-SSO*



Electric

OCC advocates for refund of excessive AEP profits

An analysis of an American Electric Power (AEP) utility's 2009 profits by the Office of the Ohio Consumers' Counsel (OCC) concluded its earnings were "significantly excessive." The OCC recommended to the Public Utilities Commission of Ohio (PUCO) that the excessive profits of Columbus Southern Power, an AEP operating company, should be returned to customers as quickly as possible. Under Ohio law, a utility that has significantly excess earnings as a result of a rate increase granted under an electric security plan must refund the excessive earnings to customers.

Several other organizations joined the OCC in its call for a refund of \$102 to the average Columbus Southern Power customer. The other groups included the Ohio Energy Group, the Appalachian Peace and Justice Network, Ohio Manufacturers' Association (OMA), Ohio Hospital Association (OHA), Industrial Energy Users and Ohio Partners for Affordable Energy.

The OCC's analysis determined Columbus Southern Power had achieved significantly excessive

profits once it exceeded 11.58 – 13.58 percent. The utility had a 2009 earned return of 20.84 percent, making it the most profitable electric utility in the United States.

AEP filed a settlement in November that asked the PUCO to allow Columbus Southern Power to keep \$156 million in excessive profits in exchange for providing customers what AEP called "value."

The PUCO staff, OMA, OHA, The Kroger Co. and Ormet Primary Aluminum Corp. joined AEP in filing the settlement. AEP offered \$1 million each to OMA and OHA and \$100,000 to Kroger for their support of the settlement. The PUCO Staff signed the settlement even though it provided testimony that Columbus Southern Power had up to \$96 million in excessive earnings.

The OCC opposed the settlement and maintained that Columbus Southern Power's 667,000 residential customers were entitled to a refund of the money they overpaid the utility in 2009.

AEP also asked the PUCO to decide on the utility's significantly excessive

earnings case by the end of 2010. The OCC and others, however, successfully argued for a revised hearing schedule that allowed the parties the necessary time to build a proper case to oppose the settlement. The case was scheduled to reconvene in January 2011.

Case No. 10-1261-EL-UNC, 10-656-EL-UNC, 10-1265-EL-UNC

OCC advocates for long-term solution to all-electric issue

The Office of the Ohio Consumers' Counsel (OCC) advocated for the permanent reinstatement of discounted rates FirstEnergy allegedly promised would be never taken away from its all-electric customers.

The OCC heard from hundreds of FirstEnergy all-electric customers in 2010 concerned about the costs they were paying after the discounts were eliminated in 2009. Many customers fully realized the impact when their bills, during the 2009 – 2010 winter months, rose to unprecedented levels. Some customers reported bills higher than \$1,000 for one month of service.

For the past 30 – 40 years, FirstEnergy offered a variety of discounts to customers who used electricity to heat their homes or water. Additionally, for some customers, FirstEnergy installed "demand meters" that allowed customers to save money by lowering their peak use of electricity. FirstEnergy also gave incentives to builders to construct all-electric homes and offered all-electric customers discounted electricity rates. In 2009, the all-electric discounted rates were replaced with smaller credits. These credits did not provide the same rate relief as the previous discounts.

Ohio Utility Companies' 2009 Return on Equity

Company	Adjusted Net Income	Return on Equity
Cleveland Electric Illuminating	\$ 79,050,396	5.20%
Columbus Southern Power	\$ 271,504,000	20.84%
Duke Energy Ohio	\$ 319,585,612	9.46%
Ohio Edison	\$ 73,053,457	6.20%
Ohio Power	\$ 305,841,000	10.81%
Toledo Edison	\$ 18,569,765	3.80%

NOTE: Return on equity and adjusted net income based on Significantly Excessive Earnings Test (SEET) filings at the Public Utilities Commission of Ohio (PUCO). The data in the SEET filings is different from financial reports made to the Federal Energy Regulatory Commission, PUCO and the Securities and Exchange Commission.



Residential utility customers attend a public hearing in Strongsville, requesting the PUCO restore the all-electric discounts FirstEnergy had allegedly promised them.

In February 2010, the OCC requested the Public Utilities Commission of Ohio (PUCO) provide immediate relief to customers by restoring discounts for all-electric customers. The OCC also asked the PUCO to investigate allegations from customers regarding promises made about the discounts.

"I want to emphasize the need for a permanent, all-electric discount rate that stays with the home and that is guaranteed in writing."

Sue Steigerwald
Kirtland

In subsequent decisions in March and April, the PUCO required FirstEnergy to restore discounted rates to customers who had either previously received them, or purchased an all-electric home from an owner who did. At a minimum, the new discount is effective

through May 2011. The PUCO also directed its Staff to investigate the development of a long-term resolution of FirstEnergy's rate structure for all-electric customers. However, the PUCO did not support the OCC's request for a PUCO Staff investigation regarding alleged promises and inducements made by FirstEnergy to all-electric residential customers.

Throughout the year, the OCC continued to hear allegations from customers about promises FirstEnergy made for permanently discounted rates. Representatives from the OCC attended 15 public meetings, forums and legislative hearings where similar testimony was provided. The OCC also shared its position on the all-electric issue with customers.

The OCC's position on the restoration of all-electric discounts was:

- ▶ Discounts should be restored for every customer regardless of when they moved into their home;
- ▶ Discounts should be transferable to future homeowners; and

- ▶ The on-going level of the discount should be carefully reviewed to ensure all FirstEnergy customers receive fair and reasonable rates.

In June, the OCC asked the PUCO to order FirstEnergy to respond to the OCC's discovery questions related to the utility's all-electric marketing practices. FirstEnergy had refused to respond to the OCC claiming the PUCO had decided allegations about marketing activities were not at issue. In November, the PUCO ordered FirstEnergy to respond to the OCC's discovery questions.

The PUCO Staff issued a report in September with a range of proposed rates and discounts for FirstEnergy all-electric residential customers, but did not include recommendations. During October and November, the PUCO held six local public hearings that gave customers the opportunity to present



A FirstEnergy customer wears a sign expressing her concerns about all-electric rates during a meeting at the Office of the Ohio Consumers' Counsel, Columbus.

Electric

testimony. The FirstEnergy all-electric issue remained unresolved at the end of 2010.

Case No. 10-176-EL-ATA

"It was me who told these people their rates would be permanent. We assured them that if the rate(s) were ever eliminated, they could continue on that rate as long as they wished."

*Terrell Bishop,
Retired FirstEnergy employee
Medina*

OCC argues for reduced AEP costs

The Office of the Ohio Consumers' Counsel (OCC) argued in 2010 to protect residential customers from overpaying American Electric Power (AEP) by \$87 million for costs associated with several distribution charges.

AEP sought approval from the Public Utilities Commission of Ohio (PUCO) to collect carrying costs for environmental, reliability and smart grid investments. Carrying charges include costs for a return on investments, depreciation, administrative expenses and property taxes.

The OCC argued the utility's electric security plan which initially allowed the charges did not include, or consider, the collection of carrying charges associated with certain investments made by AEP. The OCC also argued if carrying charges were going to be permitted, they should have been recalculated using updated short-term interest rates and low-cost

financing rather than outdated carrying charges approved more than two years ago in AEP's rate plan.

Specifically, the OCC opposed:

- ▶ Nearly \$60 million in Columbus Southern Power investments and \$74 million in Ohio Power investments that should not have been subjected to carrying charges. AEP made a 2007 agreement with the U.S. Environmental Protection Agency to settle alleged violations of the law. AEP should have installed pollution control facilities decades ago by law and should not be allowed to collect carrying charges to comply with the EPA agreement;
- ▶ Collection of additional money for tree trimming and other vegetation management beyond what was approved in AEP's electric security plan; and
- ▶ Allowing AEP to continue to collect a \$30 fee to reconnect or disconnect service at a customer's request after smart meters were installed. The meters allow remote connection or disconnection, and no longer require a utility worker to visit the customer's premises to manually disconnect service. This eliminates costs AEP still charges.

In August, the PUCO said AEP could charge its Columbus Southern Power and Ohio Power distribution customers for the three investments. For the environmental investment charge, the PUCO approved carrying charges that were about 32 percent more than the reasonable costs advocated by the OCC. AEP was allowed to collect an additional \$1.64 million for tree trimming beyond what was approved in the utility's electric security plan. The utility also

had its smart grid rider approved with carrying charges. Only Columbus Southern Power customers were charged for the smart grid program.

The OCC asked the PUCO to reconsider its decision in September, but most of its request was denied a month later. The PUCO did require the utility to conduct a cost analysis to determine the appropriate fee to reconnect or disconnect service for customers who have smart meters and request the service.

Case Nos. 10-155-EL-RDR, 10-163-EL-RDR, 10-164-EL-RDR

OCC argues storm costs should not be recovered from Duke customers

The Office of the Ohio Consumers' Counsel (OCC) fought in 2010 to protect Duke Energy Ohio customers from having to pay more than \$28 million in damages caused by 2008's Hurricane Ike. The wind storm swept through Ohio and caused about 83 percent of Duke's electric customers to experience power outages. Some customers lost power for as long as nine days. Duke sought to recover its storm costs through a rider on customer bills.

In February, the OCC raised numerous issues in Duke's storm cost application, which claimed the windstorm repairs were operating and maintenance expenses. The OCC said some repairs seemed to be capital costs, which Duke was not allowed to recover through the storm cost rider. Only expenses and not capital costs are recoverable through a rider. The OCC also challenged Duke's level of employee benefits and non-overtime labor expense.

Electric

The results of the survey will be incorporated into the final reliability standards;

- Duke Energy now has tighter reliability standards for the average duration of customer outages than it had proposed through 2016. Duke also will be required to file an updated customer perception survey with its next reliability standards application; and
- FirstEnergy agreed to stronger reliability standards for the number and duration of customer outages than it proposed. FirstEnergy will file updated reliability standards if reliability falls 10 percent lower than its historical averages in any of its distribution service territories.

The PUCO accepted the increased standards for DP&L and Duke in July and AEP in September. Higher reliability standards for FirstEnergy were approved in December.

AEP, DP&L and Duke will each have another review of their electric reliability standards to assess the impact the agreed-upon changes have on their respective distribution

systems. AEP and DP&L will be reviewed again in 2012 and Duke will have its review in 2013.

Case Nos. 09-754-EL-ESS, 09-756-EL-ESS, 09-757-EL-ESS, 09-759-EL-ESS

Federal Cases

OCC helps save AEP customers more than \$26 million in transmission costs

American Electric Power (AEP) customers will avoid paying \$26.6 million in additional transmission-related costs as a result of an agreement reached among the Office of the Ohio Consumers' Counsel (OCC), the utility and others.

Electric power transmission is the bulk transfer of electricity from generating power plants to substations located near customers.

AEP agreed to phase in transmission costs shared by Columbus Southern Power, Ohio Power and five other non-Ohio AEP distribution utilities. Increased transmission costs of \$3.8 million for Columbus Southern Power and \$14.5 million for Ohio Power will

be phased in over three years. The OCC and others advocated, and AEP agreed, the utilities cannot collect revenue shortfalls from Ohio customers as a result of the phase-

in. Over the three-year phase-in, this agreement will save Columbus Southern Power customers \$4.8 million and Ohio Power customers will avoid paying \$21.8 million.

The Federal Energy Regulatory Commission approved the agreement in October 2010.

Docket No. ER09-1279

Costs at issue in FirstEnergy transmission switch

The Office of the Ohio Consumers' Counsel (OCC) asked the Federal Energy Regulatory Commission (FERC) to reconsider or clarify portions of its conditional approval of a FirstEnergy transmission affiliate's business decision to switch regional transmission organizations. Residential customers should be protected from the costs that could arise from the switch, the OCC said.

The FERC, in February 2010, said it would take more time to reconsider its December 2009 decision. The December decision was the first step to allow FirstEnergy's affiliate, American Transmission Systems, Inc., to transfer control of its transmission operations from Midwest ISO to PJM Interconnection. The OCC urged the FERC to revisit its decision because the record was inadequate to determine if the costs from the switch were prudent, or if the Public Utilities Commission of Ohio could decide the prudence of those costs at the state level. At stake are hundreds of millions of dollars customers may have to pay over the next 30 years.

A decision on those portions of OCC's requests was not made in 2010.

Docket No. ER09-1589



OCC Staff members (left to right: Greg Poulos, Mike Idzkowski, Greg Slone and Daniel Duann) work on electric cases.

OCC: Duke customers should be protected in transmission switch

The Office of the Ohio Consumers' Counsel (OCC) recommended that Duke Energy Ohio's shareholders, not customers, should bear the sole responsibility for costs resulting from the utility's business decision to switch regional transmission organizations. Duke proposed to switch the control of its transmission system from Midwest ISO to PJM Interconnection. The OCC contended this move would result in residential customers paying unreasonable rates.

The OCC filed a protest at the Federal Energy Regulatory Commission (FERC) in July arguing the federal commission should protect residential customers from paying any or all costs associated with the switch. The OCC pointed to precedent from the FERC that transmission owners "should be prepared to assume the costs attributable to their decisions," including those that result in changing regional transmission organizations. Included in the costs the OCC said shareholders should pay are: Midwest ISO exit fees, PJM entrance fees and costs allocated to Duke for transmission projects that may be constructed in both transmission organizations.

Additionally, the OCC argued Duke has not provided sufficient evidence the switch would benefit its customers. Instead, the switch may require Duke's customers to pay more to potentially cover charges from two regional transmission organizations.

Aspects of Duke's regional transmission organization switch were still pending consideration by the FERC at the end of 2010.

Docket No. ER10-1562

OCC contributes to new FERC policy

Several recommendations from the Office of the Ohio Consumers' Counsel (OCC) were incorporated into the October 2010 Federal Energy Regulatory Commission's (FERC) Staff Report regarding ways to measure the performance of regional transmission organizations. Regional transmission organizations control the transmission systems of electric utilities in Ohio and other states.

The FERC Staff agreed with the OCC recommendations that regional transmission organizations should provide information about the status of advanced meter infrastructure programs and their impact on the availability of dynamic pricing programs (programs that tie the

price of electricity at particular times to the actual cost). The FERC Staff also agreed regional transmission organizations should provide information about the status of renewable energy resources in their territories. This information would be a part of performance updates provided by regional transmission organizations to the FERC.

The performance policy initiative was undertaken by the FERC after the federal Government Accountability Office published a 2008 report that noted a lack of publicly available and standardized performance evaluation measures for regional transmission organizations. The report said measures should be developed to determine the actual benefits customers receive from regional transmission organizations.

The FERC did not issue an official ruling on its Staff Report recommendations in 2010.

Docket No. AD10-5

Highlights of OCC achievements in electric during 2010

- ▶ The OCC successfully advocated for more stringent electric reliability standards than what Ohio's electric utilities proposed. The revised standards should lead to more reliable electricity for customers.
- ▶ The OCC helped save AEP's Ohio customers more than \$26 million after an agreement was reached to gradually phase in a re-allocation of transmission costs among seven AEP distribution utilities.
- ▶ Several recommendations from the OCC were accepted as part of new Federal Energy Regulatory Commission policy that will measure the annual performance of regional transmission organizations.



Introduction and Overview

Keeping rate increases to a minimum, helping residential customers avoid disconnection of their natural gas service and informing them about their supplier choices were among several key challenges the Office of the Ohio Consumers' Counsel (OCC) addressed in the natural gas industry during 2010.

The OCC worked diligently to protect customers by intervening in cases where utility companies were seeking to increase rates without demonstrating sufficient corresponding benefits to customers. Despite relatively low wholesale natural gas prices, many residential customers experienced difficulty paying their utility bills. One in 10 households faced disconnection of their electric and natural gas service while statewide unemployment levels continued to hover between 9 and 11 percent throughout most of the year. The OCC proactively worked with other organizations to improve and increase outreach to inform customers about how to access:

- ▶ Federally and state-funded heating assistance programs for income-eligible customers;
- ▶ Fuel funds established through negotiations with utilities; and
- ▶ Weatherization and other energy efficiency programs, such as home energy audits.

In addition to working toward its goal of keeping natural gas prices affordable during a difficult economy, the OCC continued to hear from customers confused about changes to their natural gas bills caused by customer choice programs. As utilities sought to relinquish the function of purchasing natural gas for their customers, independent suppliers provided a number of complicated options, some of which were difficult for long-time utility customers to understand.

The OCC participated in several customer education collaboratives and developed free publications in an effort to help customers navigate through the changing natural gas landscape in Ohio. The agency also intervened when it received complaints about the marketing tactics of a supplier. The need to continue educating customers and clarifying their options is expected to be a high priority for the OCC in the coming year.

Further, the OCC will continue to defend customers by calling for fair and just rates and verification of increases subject to audit and accountability.

Natural gas auctions result in lower prices for customers

A wholesale auction supported by the Office of the Ohio Consumers' Counsel (OCC) resulted in lower rates for Columbia Gas of Ohio's natural gas customers. Seven independent natural gas suppliers competed in bidding for portions of Columbia Gas' supply. The lowest bid, 19.3 cents per hundred cubic feet (Ccf) of natural gas, was added to the monthly wholesale price listed on the New York Mercantile Exchange (NYMEX) beginning April 1.

The new rate, called the Standard Service Offer, replaced the gas cost recovery (GCR) method Columbia had previously used to calculate the natural gas commodity costs it collected from customers. The low bid, referred to as the retail price adjustment, was 60 cents lower than the difference between the NYMEX and the GCR rate, based on a three-year average, and 80 cents lower based on a five-year

average. The new adder was estimated to provide residential customers, who opted to continue purchasing their natural gas from the utility rather than an independent supplier, an annual savings between \$50 and \$68.



Natural Gas

The auction was established as a result of a 2009 agreement reached among the OCC, Columbia Gas, the Staff of the Public Utilities Commission of Ohio (PUCO) and other interested parties.

In January 2010, Vectren Energy Delivery of Ohio held its initial retail auction. This process replaced the wholesale auction the company had previously used. The auction resulted in a retail price adjustment, or adder, of 15.5 cents per Ccf. The adder was combined with the monthly wholesale price calculated each month on the NYMEX. The resulting rate was called the Standard Choice Offer which replaced the Standard Service Offer.

A month later, Dominion East Ohio held its 2010 retail auctions, producing low bids of \$1.20 per thousand cubic feet (Mcf) added to the monthly NYMEX wholesale price to determine both the Standard Choice Offer for choice-eligible customers and the Standard Service Offer for those ineligible to participate in Dominion's Choice Program. This was 20 cents lower than the result in the 2009 auctions.

Like Columbia Gas, the Vectren and Dominion auctions resulted from agreements among the OCC, the PUCO staff and the respective utilities. The OCC continued to support the wholesale auctions, which have produced savings for customers and provided lower prices than the GCR or most retailers offered.

The OCC believed competitive market forces in the wholesale market produced demonstrable savings for customers. However, the OCC did not support the retail auction because customers pay higher county sales taxes rather than the lower gross

receipts tax paid through a wholesale auction. The OCC also argued for additional scrutiny from the PUCO to demonstrate whether the benefit to customers from the retail auction approach exceeds the resulting higher tax burden.

*Case Nos. 08-1344-GA-EXM,
07-1285-GA-EXM, 07-1224-GA-EXM*

"They were trying to deceive me by saying they were the gas company, as if there was only one gas company,"

*Don Drennan
Columbus*

Marketer pays penalty for unfair marketing practices

Customer complaints about unfair marketing practices by Just Energy, an independent natural gas supplier, led the Office of the Ohio Consumers' Counsel (OCC) to reach an October agreement with the supplier and the Public Utilities Commission of Ohio (PUCO) Staff placing strict guidelines on future company solicitation practices.

The measures were adopted after state regulators received numerous complaints about unfair and deceptive door-to-door sales tactics by representatives of the company. Some

customers alleged they were promised savings only to see their bills increase after signing a fixed-rate contract with Just Energy.

Customers also claimed sales representatives used high-pressure tactics and misled them into believing the company was affiliated with the local municipality aggregation program. These issues mirrored complaints filed against Just Energy in other states.

The agreement placed the following conditions on Just Energy's request for renewal of its two-year certification:

- Just Energy agreed to forfeit \$111,000 to Ohio's general revenue fund;



Paul E. Kostyu

- ▶ Customers who signed a contract with the company between April 1 and Sept. 20 were given the option to void their contracts with no cancellation fee;
- ▶ The company agreed to stringently monitor the sales practices of its contracted door-to-door sales representatives through a quality assurance program implemented Jan. 1, 2011;
- ▶ An additional \$100,000 forfeiture will be assessed if, during 2011, the OCC or PUCO Staff receive 10 or more verified complaints about similar sales tactics in any two months during a three-month period. A similar occurrence will result in an additional \$100,000 payment and could result in revocation of Just Energy's Ohio certification; and
- ▶ A third-party verification system, requiring all Just Energy door-to-door sales to be checked independently, was immediately put into effect for the duration of the agreement. Absent the agreement, such verification is made in only about half of a company's sales. Customers were given 30 days to void contracts after receiving their first bill.

Just Energy agreed to the terms of the agreement to settle the issue, but admitted no wrongdoing.

Case No. 02-1828-GA-CRS

OCC helps save residential Dominion customers \$3.5 million

Residential customers of Dominion East Ohio saved an estimated \$3.5 million in 2010 after the Office of the Ohio Consumers' Counsel (OCC) successfully argued for a reduction in the utility's request to raise costs to its customers for its pipeline infrastructure replacement program.

The OCC argued Dominion attempted to recover certain operation and maintenance expenses for its pipeline replacement program that the PUCO had previously disallowed in the rate case that established the program.

The OCC supported the original PUCO decision and said those costs only should be considered for recovery in a future rate case, not added to pipeline replacement costs for immediate recovery from customers.

The OCC also claimed Dominion failed to achieve customer savings promised when the program was established. In its original proposal, Dominion cited \$8.5 million in savings to Duke Energy customers from Duke's pipeline replacement program and said it anticipated a similar result from reduced leak repair expenses. However, Dominion placed transmission projects ahead of the distribution projects that would have had the greatest impact on leak reductions. This directly reduced the amount of savings Dominion could pass on to customers.

Dominion appealed the PUCO's original decision to the Supreme Court of Ohio. The Court's decision was still pending at the end of the year.

Case No. 09-0458-GA-RDR

OCC offers weekly updates about natural gas pricing

The Office of the Ohio Consumers' Counsel (OCC) continued to provide and update weekly pricing charts for natural gas customers during 2010. The popular information was provided in fact sheets and posted to the OCC's website and developed for customers of each of Ohio's four major investor-owned natural gas utilities, Dominion East Ohio, Columbia Gas of Ohio, Duke Energy and Vectren Energy Delivery of Ohio.

The fact sheets, each entitled "Comparing Your Energy Choices," included:

- ▶ Contract offers submitted by independent natural gas suppliers throughout Ohio;
- ▶ Contact information for each supplier as well as the type and length of their contracts;
- ▶ Information about whether early cancellation fees were assessed;
- ▶ The monthly natural gas cost charged by the utility;
- ▶ A comparison worksheet enabling customers to determine the lowest price available to them;
- ▶ A link to a historical trend chart showing monthly prices dating back at least two years; and
- ▶ A map showing the applicable sales tax for each county.

The OCC submitted a similar chart each week to *The Plain Dealer*, Cleveland, which was published in its weekend editions. The chart included offers and contact information from the independent natural gas retailers serving the Dominion and Columbia Gas territories.

Natural Gas



Beth Gianforcaro

The OCC natural gas team (left to right: Joe Serio, Larry Sauer, Kyle Verrett and Bruce Hayes) reviews documents for a legal filing.

“Comparing Your Energy Choices” was updated each week on the interactive OCC website. More than 11,300 hits were reported in 2010. In addition, the fact sheets also were available, at no charge, to customers calling the OCC’s hotline or requesting a copy by email.

Providing accurate and timely price information is critical for residential natural gas customers who have just recently been made aware of the increased number of choices available to them in purchasing their actual natural gas supply. By offering a side-by-side comparison of each offer in a document that also included the price listed by the natural gas utility, the OCC gave customers the opportunity to make informed choices that best suited their individual needs.

\$1.8 million saved in Columbia Gas pipeline agreement

Residential customers of Columbia Gas of Ohio saved \$1.8 million in

April 2010 after the Office of the Ohio Consumers’ Counsel (OCC) negotiated an agreement with the utility, the Public Utilities Commission of Ohio (PUCO) Staff and others. The parties agreed to reduce the amount of Columbia Gas’ assessment to customers for its Infrastructure Replacement Program. Residential customers also will continue to benefit from energy conservation programs that may result in lower natural gas bills.

The OCC succeeded in negotiating a lower monthly cost to customers than was established in Columbia Gas’ 2008 rate case. The agreement increased costs to \$1.62 per month; however, that figure was well below the previously agreed upon cap of \$2.20 per month.

The original five-year pipeline replacement program would have increased customers’ monthly bills \$1.10 in each of the first two years of the program and \$1 each succeeding year up to a maximum of \$5.20 by 2013.

The program includes Columbia Gas’ costs to repair or replace defective pipelines and natural gas risers that were determined prone to fail. A riser is the vertical portion of the service line connected to a customer’s meter. The original five-year program also provided for installation of automatic meter reading devices for residential and commercial Columbia Gas customers.

Case No. 09-1036-GA-RDR

Pipeline safety issues draw OCC’s attention

As the state’s residential utility customer advocate, the Office of the Ohio Consumers’ Counsel (OCC) places a high priority on issues related to public safety.

During 2010, media attention was focused on the condition of Ohio’s natural gas pipelines, particularly in light of accidents that threatened the lives and properties of some Ohio natural gas customers. The OCC sought to ensure systemic failures were adequately reported and its ability to advocate on behalf of residential customers on safety issues was upheld.

Request to amend current gas and pipeline safety rules

On behalf of about 3.3 million residential natural gas customers, the OCC asked the Public Utilities Commission of Ohio (PUCO) to amend the natural gas and pipeline safety rules to require system failures and evidence of possible non-compliance with existing safety rules be made public.

In denying the OCC’s request, the PUCO said making the reports publicly

available would be burdensome because its staff already received them. The PUCO did not deny the validity of the OCC's safety concerns.

The OCC applied for a rehearing of the PUCO's decision. The PUCO is legally obligated to ensure the public is aware of service failures and when utilities are not in compliance with existing regulations, particularly when safety issues are involved.

The OCC said the public has a right to know when such reports are filed, gaining access either on their own or with the help of the OCC.

The OCC's rehearing request was still pending at the end of 2010.

Case Nos. 09-0829-GA-ORD

OCC obtains more utility accountability for cost recovery requests

The Office of the Ohio Consumers' Counsel (OCC) persuaded the Public Utilities Commission of Ohio (PUCO) to establish guidelines enabling reviews of certain costs Duke Energy Ohio requested to collect from its customers. Duke asked to recover estimated transportation and storage costs from competitive natural gas suppliers and aggregators serving Duke's residential customers. These costs would then be included in the gas recovery charge customers pay.

This was the first filing for recovery of these costs since 2008. The OCC argued the timing of such filings should not be left to the discretion of the utility. The OCC asked the PUCO to require Duke to adjust

these rates annually so the agency could determine whether Duke's costs decreased, which would result in lower prices for residential customers.

At a minimum, the OCC asked the PUCO to establish guidelines that determine when such filings would be necessary in the event it was unwilling to ask Duke to file annually. The OCC recommended that 10 percent increases or decreases to Duke's estimated transportation and storage costs be filed with the PUCO.

In July, the PUCO accepted the OCC's argument and ordered Duke to file tariffs whenever its estimated storage costs increased or decreased. The PUCO approved Duke's request to increase rates, which the OCC had not opposed.

Case No. 10-0241-GA-RDR

Highlights of OCC achievements in natural gas during 2010

- ▶ The OCC saved \$3.5 million for residential customers by successfully arguing Dominion East Ohio attempted to recover operations and maintenance costs disallowed by the PUCO in a previous rate case.
- ▶ The OCC saved \$1.8 million for Columbia Gas of Ohio customers by negotiating an agreement to lower a previously established increase from \$2.20 per month to \$1.62 per month. The agreement also provided for a continuation of shareholder-funded energy efficiency programs that may further reduce customers' bills.
- ▶ The OCC negotiated a \$111,000 forfeiture by Just Energy to the Ohio General Revenue Fund (GRF) fund, a \$200,000 forfeiture held in abeyance for payment to the GRF if Just Energy's door-to-door sales practices result in additional complaints and 100 percent verification of all the marketer's sales to customers.
- ▶ The OCC worked with Columbia Gas to persuade the PUCO to make \$1.8 million in funds from a pipeline company refund available to customers with incomes up to 200 percent of the federal poverty level.
- ▶ The OCC persuaded the PUCO to establish parameters requiring Duke Energy Ohio to report increases or decreases of 10 percent in its transportation and storage costs rather than allowing the company to file for increases at its discretion. This allows for the possibility of reduced bills when Duke's transportation and storage costs go down.
- ▶ The OCC continued to provide a weekly comparison chart, giving customers an opportunity to shop for the best natural gas prices available to them. Updated price information, analysis of historical price trends and an interactive calculator also were provided on the OCC's website. This year, there were more than 11,300 hits to the OCC's "Comparing Your Energy Choices" fact sheets.



Introduction and Overview

In 2010, some of Ohio's residential water and sewer customers again faced higher bills after water utilities asked the Public Utilities Commission of Ohio (PUCO) to authorize rate increases. Ohio American Water and Aqua Ohio were both granted rate increases raising the cost of bills for some customers for the sixth time since 2000. The Office of the Ohio Consumers' Counsel (OCC) advocated that the PUCO limit the amount of the rate increases or reduce rates for the 84,000 residential customers of the two utilities. The OCC also advocated for low-income payment assistance programs, which proved to be a necessity for some water and sewer customers.

Rate increase limited for Ohio American Water customers

The Office of the Ohio Consumers' Counsel (OCC) concluded in early 2010 that Ohio American Water (OAW) asked its customers to pay too much for water and sewer service in its rate proposal. The OCC recommended rates for residential customers instead be decreased from their 2009 levels.

The OCC's analysis of the Public Utilities Commission of Ohio (PUCO) Staff report called for several corrections and changes that would have decreased rates for customers. The OCC's changes included exclusion of certain management fees, reduced rate case expenses and denial of an increased customer charge, among other issues. When combined with the PUCO Staff's recommendations, the OCC proposal would have resulted in a decrease of more than \$7.3 million in water and sewer rates for OAW customers. The OCC argued for the rate decrease in part because OAW asked to recover unreasonable operating expenses from customers without providing sufficient benefits in return.

The rate decrease requested by the OCC would have resulted in 6.38 percent lower water rates for customers in Franklin and Portage counties and 8.1 percent lower water rates for customers in Ashtabula, Lawrence, Marion, Pike, Richland and Seneca counties.

The OCC also determined that OAW was requiring residential customers to disproportionately subsidize the rates of industrial customers. Proper allocation of costs, in addition to other adjustments, would have brought water rates for residential customers below 2009 levels.

In May 2010, the PUCO ruled on OAW's requested rate increase and limited the utility's proposed 60 percent step increase to an overall rate increase of 7.1 percent. The PUCO eliminated more than \$4 million in management fees and other expenses, reduced rate case expenses by nearly \$300,000 and ordered the current customer charge to remain at \$9.51 per month.



Bill Ferriol

Residents in Galloway express concern to the PUCO regarding Ohio American Water's frequent rate increases during one of many local public hearings.



Water

"When you pay \$202 a month, you shouldn't have to bathe your five-year old child in brown water."

Rochelle Myer
Westerville

Additionally, OAW will be subjected to a management audit to be considered in future rate increase cases at the PUCO. The utility will continue water quality and customer service commitments agreed to in its 2008 rate case.

Case No. 09-391-WS-AIR

OCC helps cut proposed rate increase in half for Aqua Ohio's Lake Erie Division customers

The Office of the Ohio Consumers' Counsel (OCC) advocated to limit a rate increase for Aqua Ohio's Lake Erie division residential water customers to no more than 6.46 percent. The utility had requested approval for a 19 percent increase from the Public Utilities Commission of Ohio (PUCO) in November 2009.

"...[R]ight now I'm paying more for my water than my daughter in Toledo, Ohio is paying, and that includes her sewers and everything. So I don't want to pay any more, for crying out loud."

Linda Earhart
Montpelier



Senior Outreach and Education Specialist Ray Foeller, left, distributes fact sheets to a resident at a local public hearing in Westerville.

The PUCO approved an agreement in the case among the OCC, Aqua Ohio and the PUCO Staff in September 2010. The agreement limited the overall increase to 9.71 percent. The utility also agreed to better address, monitor and investigate customer water quality and service complaints. Several Aqua Ohio customers complained they had received late bills with late fees already attached to them or had not received a bill at all.

The OCC helped lower the amount of the rate increase by successfully advocating for the removal or reduction of certain costs from the rates customers pay, including property taxes, insurance and labor costs, and reducing the proposed profit level Aqua Ohio's Lake Erie division could earn.

Aqua Ohio's Lake Erie division serves about 29,500 residential customers in portions of Ashtabula, Geauga, Lake, Summit and Williams counties.

Case No. 09-1044-WW-AIR

Rate increase for Aqua Ohio Masury Division customers to be phased in over four years

The impact of an approved Aqua Ohio rate increase in its Masury division was reduced because of an agreement among the Office of the Ohio Consumers' Counsel (OCC), the utility and the Staff of the Public Utilities Commission of Ohio (PUCO) to have the increase phased in. The OCC initially recommended a six-year phase-in. The agreement spread the impact of the increase over a four-year period, reducing the impact of potential rate shock to residential customers.

"I believe that an 80 percent rate increase in the economic times in this township would be a very vast hardship on the people—the residents of this township ... Now to be faced with another increase on a utility—on water, the one thing that we must have more than anything else is going to be a burden."

*Philip Schmidt
Brookfield Township*

Approved by the PUCO in May, the agreement was to increase rates 28.3 percent each year from 2010-2012 and then decrease rates 21.45 percent in 2013. Without the phase-in, 1,400 residential customers could have

Highlights of OCC achievements in water during 2010

- ▶ The OCC helped save customers from paying nearly \$300,000 in rate case expenses Ohio American Water sought to collect.
- ▶ A rate increase request for Aqua Ohio's Lake Erie division was cut in half because of advocacy by the OCC that lead to an agreement to resolve the case.
- ▶ Assistance programs totaling \$30,000 were made available in 2010 for low-income Aqua Ohio customers at the recommendation of the OCC.

faced an immediate increase of up to 80.83 percent, the amount Aqua Ohio originally sought.

This was the first increase since 2001 for Aqua's Masury division, which provides water service to residents in Trumbull County.

While the new rates are phased in, Aqua will not be able to file any new rate increase proposals until after halfway through the third year of the agreement.

The water utility was able to justify many of the costs it sought to recover under Ohio laws and regulations. Additionally, Aqua Ohio's largest Masury customer, which made up about 63 percent of the utility's water sales revenue, discontinued its water service prior to Aqua's request to increase rates. This left the remaining—mostly residential—customers responsible to cover a significantly larger portion of the utility's fixed costs to provide service.

The OCC also negotiated a low-income fund for customers in Aqua Ohio's Masury division. The water utility paid \$5,000 in September to aid its low-income customers in Trumbull County. The new funds came from an agreement that resolved the utility's Masury division rate case.



Linda Walisz-Rominski

Members of the OCC's water team (left to right: Daniel Duann, Melissa Yost, Steve Hines, and Kyle Verrett) examine reports as part of the OCC's preparation for a water case.

Case No. 09-560-WW-AIR



Introduction and Overview

It proved to be a busy year for the Office of the Ohio Consumers' Counsel (OCC) in 2010 when it came to energy efficiency, smart grid and advanced energy. The OCC intervened in more than 100 cases to protect the rights of residential customers and the integrity of the state's energy efficiency and renewable energy requirements developed by the General Assembly in 2008. Among them:

- ▶ Utilities filed energy efficiency portfolio plans that were prepared with feedback from a collaborative process that included the OCC and other stakeholders;
- ▶ Residential programs were created through negotiations with utilities to buy renewable energy credits generated by customers who installed renewable energy devices, such as solar panels. The programs help the utilities meet their benchmarks and at the same time help defray some of the cost to customers;
- ▶ Smart grid improvements began to show up in communities throughout Ohio;
- ▶ Utilities sought to recover the costs associated with smart grid and energy efficiency programs;
- ▶ Utilities sought waivers from energy efficiency and renewable energy benchmarks required to fulfill Ohio's electric energy law; and
- ▶ Several businesses asked to be released from paying energy efficiency charges to utilities in exchange for committing to their own efficiency improvements.

The OCC provided expertise in these cases that improved utility proposals to ensure cost-effective programs were created that provided value to customers. The OCC also worked with stakeholders to create protocols that establish accountability and accurately measure the savings from energy efficiency programs.

OCC saves Duke Energy customers \$35 million

The Office of the Ohio Consumers' Counsel (OCC) saved Duke Energy Ohio customers \$35 million after successfully arguing the utility improperly charged customers to recover revenues it lost from reduced electricity generation sales because of energy efficiency programs.

Ohio law only allows electric utilities to collect revenues lost as a result of energy efficiency programs to maintain their distribution systems, not their generation resources.

In addition to the charge being unlawful, the OCC said Duke could have been paid twice had it been allowed to continue to collect lost generation revenues – once from customers through its Save-a-Watt charge for energy efficiency and once through the sale of electricity on the wholesale market that had been freed by the utility's energy efficiency programs.

The OCC also supported the continuation of nine energy efficiency programs for Duke Energy's residential and non-residential customers, which the PUCO approved.

*Case No.
09-1999-EL-POR*



Photo at left: A contractor checks for furnace efficiency during a scheduled home energy audit.

Resource Planning



Linda Wals Rominski

A central Ohio home with a recent solar installation featured during the Green Energy Ohio's fall 2010 Solar Tour.

OCC achieves benefits for residential solar energy use

The Office of the Ohio Consumers' Counsel (OCC) successfully advocated on behalf of Duke Energy Ohio's residential customers to create a beneficial solar renewable energy credit (REC) program.

The OCC suggested a program that called for the utility to purchase RECs generated by residential customers who install solar panels and other forms of renewable energy for a 15-year period. A REC represents one megawatt-hour of electricity produced from renewable sources. Duke had agreed to create a program as part of its electric security plan. It only wanted to offer, however, a program for customers who purchase generation from Duke and only for three years, the term of its current rate plan.

The Public Utilities Commission of Ohio (PUCO) approved the program

that will help make solar energy more affordable for residential customers and develop the market for residential solar energy generation. Customers who install solar energy at their homes will be able to sell the created RECs to Duke Energy. This will help defray the costs of installing a residential renewable facility. Duke's residential customers will be able to enter into a REC purchase agreement through Dec. 31, 2012.

The owner of a solar electric generating system must have a net-metering and interconnection agreement with Duke, and be certified by the PUCO, before Duke will purchase RECs from a residential customer. In turn, Duke would use the RECs to meet part of its renewable energy requirements established in Ohio's electric energy law.

The OCC also sought to create meaningful programs with American Electric Power and Dayton Power and

Light for REC purchase agreements. Decisions on those cases were pending before the PUCO at the end of 2010.

Case Nos. 09-834-EL-ACP, 09-1871-EL-ACP, 09-1872-EL-ACP, 09-1873-EL-ACP, 09-1874-EL-ACP, 10-262-EL-UNC

OCC helps introduce dynamic prices; increase smart meter's value for customers

The Office of the Ohio Consumers' Counsel (OCC) increased the value of smart meters for customers after it persuaded utilities to offer various dynamic pricing options in a timely manner for residential customers. These rate options are essential to making smart meter upgrades beneficial to customers and provide them more control over their electric consumption, which can result in lower energy costs.

Dynamic pricing ties the price of electricity at particular times to the actual cost of generating that electricity. The price signals help customers moderate usage during high peak, high cost times, thereby providing customers with the opportunity to save money and at the same time reducing the overall system costs.

The OCC worked with both American Electric Power (AEP) and Duke Energy Ohio to provide their customers with several pricing choices that were not possible before smart meters were introduced. AEP proposed two rates and Duke proposed four options. The offerings varied from time-of-day rates, which provide different electric prices throughout the day, to peak time rebates, which give customers rebates for reducing electric usage during periods when systemwide use is high.



Each of the rates is voluntary, a provision the OCC said was essential to promote customer acceptance. Customer education, training and support, alternative bill formats, provisions to return to standard rates and additional pricing options to meet customer needs also were important elements to enable customers to get the most out of the new rates.

For customers to benefit from the new rate offerings, they need to adjust their electric use or set preferences in home energy management systems that will automatically make changes for them.

Case Nos. 10-42-EL-ATA, 10-424-EL-ATA, 10-455-EL-ATA, 10-979-EL-ATA, 10-2429-EL-ATA

OCC keeps customer protections intact during remote disconnects

The Office of the Ohio Consumers' Counsel (OCC) sought to keep basic protections for customers intact as utilities installed smart meters. Through 2010, Duke Energy Ohio and American Electric Power (AEP) had installed 273,000 smart meters.

Duke sought a waiver of electric rules that protect customers facing

a disconnection so it could notify customers with smart meters by e-mail or text message before disconnecting service. Smart meters give the utility the ability to disconnect customers remotely.

The OCC proposed an alternative that would allow smart-metered customers to be able to opt in to electronic notices while Duke continued traditional telephone and in-person notification. This would ensure customers are fully protected when faced with a disconnection. Because many customers in the Duke smart grid pilot may be low-income customers, they may not have access to e-mail or text messages and would need to be immediately notified by telephone or in person if a disconnection is imminent. The PUCO denied Duke's request for a waiver of the disconnection rule.

Although AEP did not seek exemption from the disconnection rules, the OCC expressed concerns about whether AEP's remote disconnection proposal meets the PUCO's rules for advanced notice. The OCC requested several important customer protections, including AEP's personal contact with the customer prior to disconnection, options for customers to make payments to avoid disconnection for nonpayment, and alternatives to disconnection. The PUCO required AEP to comply with the current disconnection rule, but did not place any additional requirements on the utility.

The OCC also proposed AEP eliminate fees for customer-initiated connections and disconnections where smart meters are installed, because these changes can be done remotely at no cost. Although the PUCO rejected

the OCC's proposal to eliminate the fee, it required AEP to file a report demonstrating its costs to disconnect and reconnect customers.

Case Nos. 10-164-EL-RDR, 10-249-EL-WVR

OCC files complaint to correct FirstEnergy's interconnection practices

The Office of the Ohio Consumers' Counsel (OCC) filed a complaint in 2010 alleging FirstEnergy violated Ohio's net metering and interconnection laws. The utility's practices made it difficult, burdensome and costly for residential customers to interconnect their renewable energy distributed generation facilities onto FirstEnergy's distribution system, the OCC said.

Net metering is a required program offered by a utility company to customers who use renewable energy systems to generate their own electricity. Under a net metering agreement, any excess energy generated by the customer during a monthly billing cycle would be sold to the utility company and credited to the customer. Interconnection is the physical connection of a customer's electric generation to the local utility's distribution system.

In its complaint, the OCC asked the PUCO to:

- ▶ Rule FirstEnergy violated the law by providing inadequate service and facilities to its customers;
- ▶ Require the utility to revise its net metering and interconnection standards to comply with Ohio law and all other applicable rules, orders and policies;

Resource Planning

- ▶ Order FirstEnergy to stop imposing extra net metering and interconnection requirements and costs for residential customers;
- ▶ Stop FirstEnergy from requiring customers to pay to replace meters that meet PUCO net metering requirements and thus do not need to be replaced;
- ▶ Refund all costs collected from customers because of unnecessary requirements; and
- ▶ Penalize the utility with a forfeiture of up to \$10,000 per day for each violation.

Since at least 2007, some FirstEnergy customers have faced difficulty getting their renewable energy generators connected to the utility's distribution system. The OCC claimed FirstEnergy discouraged these customers from generating their own electricity by improperly limiting available credits for the energy they produced, violating net metering and interconnection statutes and rules, and threatening to disconnect customer systems from FirstEnergy's distribution system, among other issues. Some customer complaints have taken as long as three years to resolve before the PUCO.

The complaint was pending before the PUCO at the end of 2010.

Case No. 10-1128-EL-CSS

AEP energy efficiency programs approved

The Office of the Ohio Consumers' Counsel (OCC) came to an agreement with American Electric Power (AEP) in 2010 on the utility's energy efficiency programs that will help participating customers better control their monthly electric costs.



Members of OCC's Resource Planning Team discuss initiatives for Ohio's energy future. Left to right: Gina Brigner, Wilson Gonzalez and Daniel Sawmiller.

The OCC and other members of the Ohio Consumer and Environmental Advocates negotiated program and cost-recovery details that resulted in a kilowatt-hour charge for several energy efficiency programs that have benefited residential customers since 2009. The agreement was approved by the Public Utilities Commission of Ohio in May 2010.

The OCC signed the agreement because the benefits of the energy efficiency programs, such as a compact fluorescent light bulb (CFL) discount, can more than offset the costs to customers. For AEP customers, replacing four 60-watt incandescent light bulbs with four 14-watt CFLs can save about \$4 per month when used for six hours per day.

Energy efficiency is the cheapest alternative to building new generating plants. Current figures from a Lazard analysis, a financial advisory and asset management firm, shows a new coal plant with carbon capture and a new

nuclear plant costs 14 times and 21 times, respectively, more than energy efficiency programs.

Additionally, AEP reported its energy efficiency programs could save enough energy to power 70,000 homes through 2011 if customers fully participate. The programs were projected to result in 3,000 new jobs through 2011 and substantially reduce power plant emissions.

The programs help AEP meet its energy efficiency and peak demand reduction requirements in Ohio's electric energy law.

Case Nos. 09-1089-EL-POR,
09-1090-EL-POR

OCC argues against unneeded costs, elements in FirstEnergy efficiency programs

Residential customers should not pay for more than \$1 million in costs FirstEnergy included in its proposed

energy efficiency programs portfolio, the Office of the Ohio Consumers' Counsel (OCC) said in 2010.

FirstEnergy proposed eight energy efficiency programs for residential customers, but included several elements in its portfolio that would improperly compensate the utility for system improvements unrelated to energy efficiency.

The OCC and other members of the Ohio Environmental and Consumer Advocates recommended that \$390,000 in warehousing costs and lost revenues from the utility's compact fluorescent light bulb (CFL) program should not be recovered from customers. Specific decisions made by FirstEnergy delayed a ready-to-launch program in late 2009. Additionally, the advocates claimed the utility sought to recover \$427,000 for marketing of a previously failed CFL program and \$225,000 in administrative costs that should be rejected because they provided no tangible benefits to FirstEnergy's customers.

The advocates also disagreed with a FirstEnergy shared savings proposal that would reward the utility for exceeding the state's annual energy efficiency benchmarks. FirstEnergy provided no support for the proposal and sought incentives for transmission and distribution upgrades not allowed by the rules of the Public Utilities Commission of Ohio (PUCO). The OCC contended any rewards for exceeding energy efficiency benchmarks should only be for a utility's direct actions that lead to electricity savings.

FirstEnergy's proposal in December 2009 that included: discounted CFLs, direct load control, appliance turn-

in, energy efficient products, efficient new homes, comprehensive residential retrofit, online audit and online efficient products.

The PUCO had not reached a decision about the energy efficiency portfolio in 2010. FirstEnergy was the only investor-owned electric utility in Ohio not to offer energy efficiency programs consistent with Ohio law.

*Case Nos. 09-1947-EL-POR,
09-1948-EL-POR, 09-1949-EL-POR*

Energy efficiency, solar requirements waived for 2009

The Ohio Consumer and Environmental Advocates, of which the Office of the Ohio Consumers' Counsel (OCC) is a member, asked the Public Utilities Commission of Ohio (PUCO) to reject FirstEnergy's request to waive its 2009 requirements to increase the energy efficiency in its service territories.

The OCC argued FirstEnergy delayed planning and implementing its energy efficiency programs. FirstEnergy also failed to provide appropriate customer education about its programs. Finally, FirstEnergy sought to count measures toward its compliance benchmark that were not recognized as appropriate under Ohio law. The PUCO, however, accepted the utility's arguments in January 2010 and waived FirstEnergy's 2009 energy efficiency requirements.

According to the PUCO's order, FirstEnergy had to make up its 2009 deficiency from 2010 – 2012, in addition to meeting its annual requirements in each of the three years. The PUCO said it would determine what the additional requirements would be each year when it decides FirstEnergy's pending comprehensive energy efficiency portfolio.

In March 2010, the PUCO also waived FirstEnergy's solar energy requirement for 2009. American Electric Power and Dayton Power and Light also were granted waivers for their 2009 solar energy requirements in 2010. They all were required to make up the deficit in 2010.

Case Nos. 09-987-EL-EEC, 09-988-EL-EEC, 09-1004-EL-EEC, 09-1005-EL-EEC, 09-1006-EL-EEC, 09-1922-EL-ACP, 09-1989-EL-ACP



Photo courtesy of Dayton Power & Light

Aerial view of Dayton Power & Light's 1.1-megawatt solar array in Washington Township, Montgomery County, Ohio.



Introduction and Overview

In a year highlighted by legislation that further deregulated the telecommunications industry in Ohio, the Office of the Ohio Consumers' Counsel (OCC) took a leadership role to preserve safeguards for residential telephone customers, especially those with basic local telephone service. The OCC and other advocacy organizations formed a coalition in 2009, the Ohioans Protecting Telephone Consumers (OPTC), to work on the legislation, a more comprehensive review of which appears on Page 10 of this report.

Among other notable achievements, the OCC successfully advocated for increased deployment of broadband services and adherence to service quality standards as part of a negotiated settlement completing a merger between Verizon Communications Inc. and Frontier Communications Corp. As part of the agreement, Frontier will cap basic local service rates until broadband service is deployed in 85 percent of its Ohio service territory.

Many of Ohio's telephone companies are now permitted by law to raise their monthly rates for basic local telephone service by up to \$1.25 each year with a minimal showing of competition. The OCC intervened in several cases filed with the Public Utilities Commission of Ohio (PUCO), asserting that the companies requesting such permission did not meet the requirements for showing minimal competition.

In addition, the OCC advocated for greater scrutiny of carriers wishing to provide wireless Lifeline service to low-income Ohioans.

OCC, partners work to preserve telecom customer protections

After the passage of Ohio's new telecommunications law, (*See Page 10*), the Ohioans Protecting Telephone Consumers (OPTC) continued its advocacy for residential customers. The OPTC made significant recommendations to the Public Utilities Commission of Ohio (PUCO) in a rulemaking on important protections for customers, especially those with basic local telephone and Lifeline services. Several key issues were debated as the PUCO considered draft rules proposed by its staff to implement the new law.

The PUCO's new rules became effective in January 2011. The OPTC provided input into the rulemaking process during 2010 by bringing many important issues to the PUCO's attention, several of which the PUCO agreed were necessary. Among these, the OPTC succeeded in preserving the requirement for telephone companies to provide a white pages directory upon a customer's request; standardized notices about the Office of the Ohio Consumers' Counsel (OCC) on disconnection notices; the OCC's role on the State Lifeline Board; and that the PUCO maintain its authority over inside wiring maintenance and security deposit notices, as well as late payment, installation and reconnection charges.

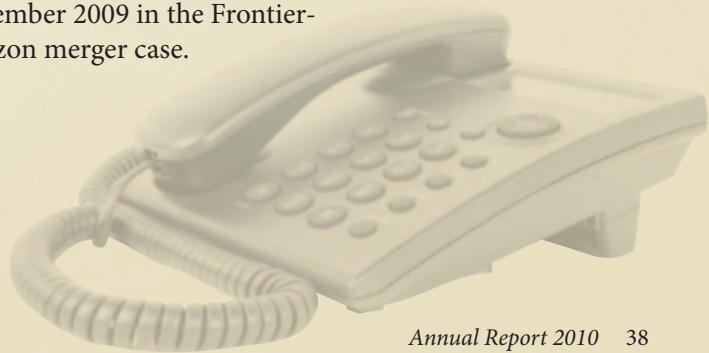
The OCC's advocacy efforts helped preserve several important service standards, including those related to service installation, outages, billing, notice of disconnection,

reconnection and deposits for basic service customers. In addition, the OCC will be included on the newly-created "Select Committee on Telecommunications Regulatory Reform," which will study the effects of the new legislation and issue a report no later than Sept. 13, 2014.

Case No. 10-1010-TP-ORD

Verizon-Frontier merger agreement provides customer benefits

As a result of the Office of the Ohio Consumers' Counsel's (OCC) advocacy, residential customers of Frontier Communications Corp. will have access to broadband service in approximately 85 percent of the company's service territory, as well as improved service quality. These are some of the benefits resulting from an agreement filed in December 2009 in the Frontier-Verizon merger case.



Telephone

On Feb. 11, 2010, the Public Utilities Commission of Ohio (PUCO) approved the agreement among the OCC, the PUCO Staff, Frontier Communications Corp. and Verizon Communications, Inc.

The agreement required expanded broadband services with no increase in basic service rates. The agreement also required Frontier to meet specific service quality benchmarks. (*A detailed analysis of the agreement and its benefits to residential customers can be located on Page 45 of the OCC's 2009 Annual Report.*)

Case No. 09-454-TP-ACO

OCC opposes AT&T Ohio basic local service rate increases in 16 exchanges

Citing AT&T Ohio's lack of sufficient proof of available competition in 16 local exchanges, the Office of the Ohio Consumers' Counsel (OCC) asked the Public Utilities Commission of Ohio (PUCO) to deny AT&T's request to increase basic local service rates.

The case was the first involving the authority to raise basic service rates under Ohio's new telecommunications law. According to the statute, a telephone company may receive authority to annually raise its monthly rates for basic local service by up to \$1.25. The company must demonstrate that two other providers compete with the company's basic service in any area of the exchange. The OCC argued AT&T Ohio failed to meet this standard.

The 16 exchanges were located mostly in rural eastern and southern Ohio. Those are areas where increases to basic local telephone rates would mean additional hardship for residential

“...[W]hile the telephone companies continue to lobby for decreased regulatory oversight on the basis of increased competition, their telephone service rates continue to rise.”

Ron Bridges
AARP Ohio

customers given the difficult economic climate in the region.

Because the PUCO did not issue an order rejecting AT&T Ohio's request within 30 days after it was filed, the request was automatically approved based on the new law. AT&T Ohio used its authority to raise basic local telephone rates in the 16 contested exchanges, as well as its remaining exchanges for which it had already been given permission to raise rates. The new rates went into effect in January 2011.

Case No. 10-1412-TP-BLS

Wireless Lifeline an option for income-eligible customers

As more customers use wireless telephone service to communicate, prepaid wireless companies have sought to offer Lifeline service, which was once only provided by traditional landline telephone companies.

Lifeline is a program designed to make local telephone service more affordable and accessible to low-income residential customers. Lifeline is funded by the federal Universal Service Fund, through charges on non-Lifeline customers' monthly local and long-distance telephone bills.

TracFone was approved on a conditional basis in 2009 to offer wireless Lifeline service in Ohio at no cost to customers through its SafeLink program. Cincinnati Bell Wireless (CBW) also was conditionally approved to provide Lifeline in southwestern Ohio in December 2010. Two other companies—Nexus dba TSI and Virgin Mobile—had pending applications to offer wireless Lifeline in Ohio at the end of 2010.

The Office of the Ohio Consumers' Counsel (OCC) intervened in each wireless Lifeline case. The agency had concerns about the low number of free monthly minutes proposed by some companies, as well as the per-minute cost for a customer to purchase additional minutes. This could result in customers exceeding the free minute allocation and facing high cell phone bills. Another concern involved wireless companies not being required to provide the same customer protections as a traditional landline telephone company.

While traditional landline telephone companies typically offer discounts off the monthly service charge for Lifeline customers, most of the prepaid wireless companies use the discount to cover the cost of a wireless handset and a specified number of minutes each month, so customers do not have a monthly service charge. TracFone and CBW both offer plans that include 250 free airtime minutes per month, in addition to other plans.

In November 2010, following recommendations the OCC made in 2009, the PUCO initiated an investigation into policies for these prepaid wireless Lifeline carriers. In December, the OCC, along with a number of low-income advocates,

filed comments recommending the PUCO establish minimum service requirements for prepaid wireless Lifeline service.

Case Nos. 97-632-TP-COI, 10-614-TP-UNC, 10-429-TP-UNC, 10-432-TP-UNC, 10-2377-TP-COI

Federal Cases

OCC advocates for customers in federal telecommunications cases

The Office of the Ohio Consumers' Counsel worked with the National Association of State Utility Consumer Advocates (NASUCA) on several important cases before the Federal Communications Commission (FCC) during 2010.

In April, the FCC issued a decision that rejected proposals to increase the amount of money Ohioans pay into the Universal Service Fund. The FCC's decision was based on data provided by NASUCA showing that such increases were unnecessary. The fund was established in 1996 to promote nationwide access to affordable telecommunications services. Telephone customers see a small fee

"Many of my clients can only afford basic home phone service or basic service and one or two extra services like call waiting. They do not participate in the world of smart phones and broadband Internet. If they have a cell phone, it is reserved for emergency use, with the minutes of use carefully watched."

*Ellis Jacobs
Advocates for Basic Legal Equality, Inc.*



Paul E. Kostyu

The OCC telecommunications team discusses federal and state issues related to basic telephone service including the authority to raise basic service rates under Ohio's new telecommunications law. Left to right: David Bergmann, Laura Gallego, Ryan Lippe and Terry Etter.

on their monthly bills allocated to this fund. The FCC decision was appealed by two states that felt they should receive more funding.

In November, NASUCA filed comments supporting the Open Internet proposal, designed to ensure

that customers' free use of the Internet would be maintained. The FCC issued an order in December upholding this right and stating that owners of a computer network cannot control how customers use it. This decision was appealed by Verizon and another network owner in January 2011.

Highlights of OCC achievements in telecommunications during 2010

- ▶ Preserved customer safeguards in the new telecommunications law for landline customers with basic service only, negotiated a pilot voice mail program for citizens in distress without access to a telephone and negotiated a freeze to Lifeline increases through Jan. 1, 2012.
- ▶ The OCC helped expand the deployment of broadband to 85 percent of Frontier's territory by 2013 and capped telephone rates until broadband benchmarks have been met. Frontier might face up to \$800,000 in penalties if negotiated service quality and performance benchmarks are not met.
- ▶ The OCC intervened in several cases where prepaid wireless companies sought to provide service to Lifeline customers, negotiating agreements which increased the number of free minutes available.



Communicating with Customers

Introduction and Overview

One of the most important tasks for the Office of the Ohio Consumers' Counsel (OCC) is communicating with its clients, Ohio's 4.5 million utility customer households. This is accomplished through an integrated communications program based on customer education about the issues and programs that affect residential utility services.

The OCC's multi-dimensional, statewide communications program consists of an outreach and education program in place since 1996, media relations, publications, customer-based research and a comprehensive and interactive website.

Outreach and Education

For many residential customers, 2010 was a year of struggle. Electric, natural gas and water rates increased for many utilities in the state. Basic local telephone customers saw both a decrease in customer protections and the potential for annual rate increases. Customers on fixed incomes and those who have lost jobs were especially hard hit. Many individuals who had never requested utility assistance turned to the OCC for a better understanding of these programs. The outreach staff provided training on utility assistance programs to more than 4,000 customers and staffs of social service agencies.

The OCC developed materials and provided training about the new Percentage of Income Payment Plan (PIPP Plus) program to consumer advocates and customers. More than 15,000 PIPP Plus fact sheets were distributed to social service agencies and senior centers.

Recognizing customers were interested in lowering their energy bills, several utility companies offered home energy audits at discounted prices. The OCC assisted in spreading the word about these programs through fact sheets and direct outreach at speeches, fairs and exhibits, including the Ohio State Fair that drew thousands of Ohioans to the OCC's booth. The outreach staff addressed this topic during presentations to customers and emphasized the importance of an energy audit to determine how to best maximize the home's energy efficiency. Customers, who implemented suggested energy efficiency measures using certified contractors provided by the utility, received additional discounts once the work was completed.

The OCC increased its efforts to reach out to organizations and agencies serving Latino populations. The outreach staff attended meetings, advisory boards and made personal visits to raise awareness of the agency's services to this constituency.



Community Outreach Manager Linda Walls Rominski hands out information and prizes to one of thousands of Ohioans who visited the OCC's booth at the Ohio State Fair in 2010.

A separate section of the OCC website is devoted to the Latino community, including educational materials about utility assistance in Spanish. The OCC's Consumer Services Division employs bilingual customer services representatives to assist with questions and calls related to utility issues.

The OCC also issued several publications comparing facets of the new telecommunications law with previous customer protections so residential customers could become familiar with changes to the rules governing their telephone service.

Communicating with Customers

Another major case involving the OCC throughout 2010 concerned the attempt by FirstEnergy customers living in all-electric homes to retain discounted rates many claimed were promised them in perpetuity. This case remained unresolved in 2010.

The OCC also intervened to protect residential natural gas customers when some independent suppliers engaged in marketing campaigns resulting in customer confusion. When Ohio American Water and Aqua Ohio sought to increase rates, the OCC worked to limit the amount of the increases proposed and advocated for reductions for 84,000 residential customers served by both utilities.

Community Advisory Panel members informed about utility issues

During 2010, the OCC met with regional Community Advisory Panels (CAP) throughout the state to discuss important utility issues,



Linda Walls Rominski

Community Advisory Panels (CAP) throughout the state are an instrumental part of OCC's outreach efforts.

including changes to the Percentage of Income Payment Plan (PIPP Plus). The meetings offered an opportunity to share information about utility cases involving the OCC. Meetings were held in Gahanna, Findlay, Norton, Logan, Miamisburg, Athens and Kettering.

Advisory panel members represent community groups, organizations and agencies, such as legal aid, children's services, community action, job and family services, veterans' services, housing authorities, food banks, seniors, people with disabilities and advocates for the homeless.

The OCC maintains regular contact with the panel members through biannual meetings in each region, mailings, e-mails and phone calls to address specific issues. The advisory panel members are a great resource for the OCC to learn about concerns in individual regions and assist with addressing those issues.

In addition to the new PIPP Plus rules, CAP members were informed about energy efficiency programs offered by the utilities, the changes brought about by the new telephone deregulation law and the new smart grid programs being developed by electric utilities.

The agencies expressed concerns to the OCC about the increased demand for services because of the poor economy.



Linda Walls Rominski

Outreach and Education Specialist Andrew Tinkham addresses a crowd of listeners during one of OCC's many presentations throughout the year.

Many CAP members indicated the process for applying for utility assistance made it difficult for those in need to get appointments and prevent disconnections. The OCC provided a thorough discussion of federal and state assistance programs at the fall CAP meetings and offered to provide further training to agency staffs. There were several requests for follow-up training. Outreach staff distributed bulk copies of the PIPP Plus fact sheet that provided an in-depth explanation of the new program.

Social service agencies request information, training on utility assistance programs changes

As in previous years, the OCC received many requests from social service agencies and senior centers for information and training about utility assistance programs. The OCC responded with updated training materials and fact sheets. Training materials also were available on the OCC's website to download and print.

Communicating with Customers

To accommodate the needs of the social service agencies, the OCC provided several of the training programs by conference call. Detailed training manuals were provided to all participants. The Outreach and Education staff trained more than 100 agencies and more than 2,600 agency staff who have direct contact with low-income customers.

The Outreach staff also contacted hospital social workers and nurses to provide education about the use of medical certification waivers to prevent the disconnection of utility services. Customers with medical conditions that are especially dangerous to their health can prevent disconnection by using a medical certification waiver up to three times each year. This valuable service is available to any customer regardless of income who meets the criteria.

Customers learn to manage finances during National Consumer Protection Week

The theme for the 2010 National Consumer Protection Week—"Dollars & Sense: Rated A for All Ages"—struck a cord with many customers in Ohio. With high unemployment and increasing utility costs, customers were interested in learning ways to manage their finances.

The OCC partnered with the Office of the Ohio Attorney General and other state and federal agencies in a statewide campaign to increase financial literacy. The OCC reached out to customers through fairs, speeches and press events on this topic. The OCC participated in 59 events that reached a variety of customer groups.

All events were posted on the OCC's website and promoted through mailings and e-mails to community groups and agencies. More than 2,000 customers attended the events.



OCC staffs free educational seminars offered by Ohio Treasurer of State

The Ohio Treasurer of State invited the OCC and other state agencies and organizations to participate in the planning of the 2010 Smart Money Choices programs. These free programs provided helpful information about successful money management. The programs were held at locations throughout the state and the OCC staffed a table at each event.

The OCC offered educational materials to assist customers in learning to manage their utility bills through energy assistance programs and learning low-cost energy efficiency measures.

Low Income Dialogue Group addresses low-income issues

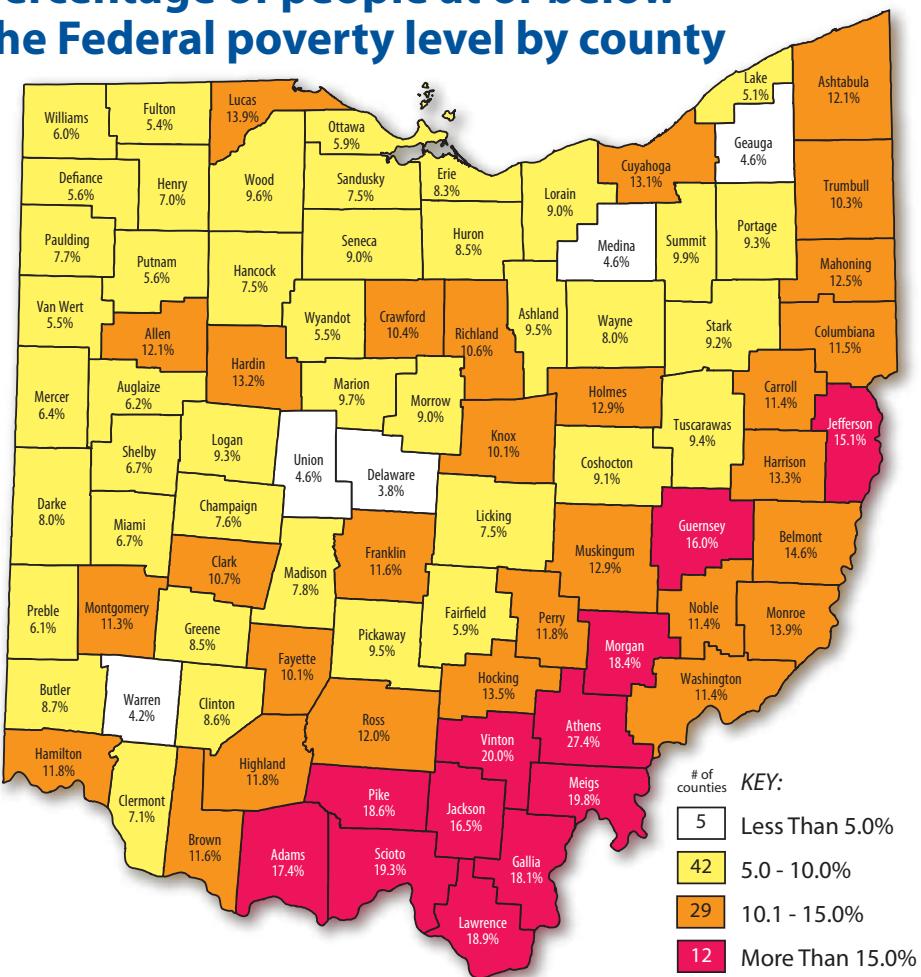
The Low Income Dialogue Group (LIDG) worked in a collaborative effort to address utility issues facing low-income customers as Ohioans continued throughout 2010 to struggle with a difficult economy. The LIDG is a network of organizations and agencies serving the needs of Ohio's low-income customers. The OCC facilitates the LIDG meetings, which occur on a monthly basis.

The stagnant economy provided the backdrop for many of the group's discussions as more customers found it difficult to pay their utility bills. As in 2009, the LIDG addressed changes to and implementation of the Public Utility Commission of Ohio's (PUCO) credit and collection rules. Those rules, which went into effect Nov. 1, included the revised Percentage of Income Payment Plan (PIPP), now known as PIPP Plus.

Amy Carles, outreach and education specialist for the northwest region, engages a residential utility customer and offers one of OCC's free fact sheets for guidance.

Communicating with Customers

Percentage of people at or below the Federal poverty level by county



SOURCE: The Ohio Poverty Report, June 2009, the Ohio Department of Development, Policy Research and Strategic Planning Office

The OCC and LIDG played a major role in revisions to the PIPP program and continued to work with the PUCO and Ohio Department of Development to advocate for customers once the PIPP Plus rules were released. The OCC and LIDG will continue to work with both agencies and look forward to the opportunities to provide comments when the program is reviewed.

The LIDG addressed a wide range of issues in 2010 including debate and passage of Senate Bill 162, the state's new telecommunications law; utility bill formats; the proposed use of credit reporting by utility companies;

and the availability and promotion of fuel funds as a source of utility bill payment assistance.

OCC, Ohio Capital Corporation for Housing partner for hands-on weatherization training

Recognizing the importance of making its housing more energy efficient, the Ohio Capital Corporation for Housing (OCCH) obtained a grant to increase the energy efficiency of its housing units. This included installing compact fluorescent light bulbs, low-flow showerheads, faucet aerators and programmable thermostats in many of its units.

The OCCH asked the OCC to develop a hands-on weatherization training program for residents of its low-income housing. As the cost of utilities now require a greater portion of a customer's budget, learning to use less energy to lower utility bills has become essential.

The OCC developed a training program that included discussion of smart energy tips and a hands-on presentation of low-cost energy measures. As part of the weatherization training, participants received a free kit of energy efficient materials. The materials included window kits, weather-strip, door sweeps and light switch and outlet insulation.

The OCCH also produced an informative video featuring low-cost energy tips from the OCC's "Smart Energy Tips" fact sheet. The video and fact sheet were provided to the housing units to distribute to residents.

Publications

Ohio's residential utility customers benefited from a variety of online publications offered by the OCC and by request. During 2010, the communications staff updated its library of publications about residential utility issues, making them available to customers via the Internet or by phone requests to its toll-free hotline. To view the publications, visit www.pickocc.org.

Media Relations

The OCC's media relations included issuing more than 70 news releases related to key information about residential utility issues. The communications staff also responded to more than 600 news media inquiries, prepared guest columns, letters to the editors of newspapers and online content. The staff updated and created new fact sheets, brochures and other printed materials.

Communicating with Customers

OCC website

The OCC continues to offer popular resources to Ohioans with its informational and educational website. In 2010, more than 72,400 unique visitors used the website to learn about a variety of residential utility issues.

In 2010, enhancements to the OCC website included a revamped legislative section, web pages highlighting OCC outreach events during National Consumer Protection Week (March) and Older American's Month (May), an improved search engine and a print newsletter sign-up portal.



Visit the OCC's website for the latest residential utility information at www.pickocc.org.



Public Information Specialist Marty Berkowitz, right, briefs reporter Steve Wainfor from WCMH-TV about current utility customer disconnection issues.

Highlights of OCC achievements in communications during 2010

- ▶ Met with Ohio residential utility customers in 234 cities and 81 counties.
- ▶ Visited 534 organizations and agencies to educate about OCC services.
- ▶ More than 12,000 customers attended the 517 presentations provided by the OCC.
- ▶ Staffed 132 shows and fairs to meet and educate more than 29,000 customers.
- ▶ Met more than 46,000 customers through all outreach efforts.
- ▶ More than 1,600 new subscribers added the *Consumers' Corner* newsletter to their reading list.
- ▶ Mailed the newsletter six times annually to more than 96,000 Ohio residential utility customers and consumer groups, and e-mailed to an additional 6,097.
- ▶ Distributed more than 122,000 pieces of educational materials to customers and consumer groups, including brochures and fact sheets about utility topics, utility assistance, energy efficiency and renewable energy.
- ▶ Issued more than 70 news releases and responded to more than 600 media inquiries.
- ▶ More than 72,400 visitors to the OCC website: www.pickocc.org.

Consumer Services

Helping Ohio's residential utility customers Daily: OCC Consumer Services Division

Many of Ohio's residential utility customers continued to find 2010 financially challenging. According to the most recent data, an average 9.2 percent of Ohioans were unemployed, 15.2 percent were living in poverty and 85,483 homes were foreclosed during the year. The Consumer Services Division (CSD) of the Office of the Ohio Consumers' Counsel offered valuable services to individuals seeking assistance and information about a variety of utility issues.

Research compiled by the CSD staff showed that as 2010 ended, one in 10 Ohio households experienced a disconnection of either their electric or natural gas services because of non-payment of a bill. The OCC's investigators worked with residential utility customers to address their

A Frontier North customer called the OCC for assistance with an installation delay of his telephone service. The customer mentioned that he was in dire need of assistance because his wife was very ill and home alone. (OCC's investigator) contacted Frontier North and investigated the customer's concern. As a result, the customer's service was activated. The customer called back and thanked the OCC for solving his Frontier problem. The customer said he was impressed that a single call to the OCC solved a problem he had been having for a week.

Telephone customer experience

specific concerns and ensure they remained connected to essential services. CSD representatives negotiated with utility companies and customers resulting in restoring service and/or avoiding disconnections to more than 3,000 households.

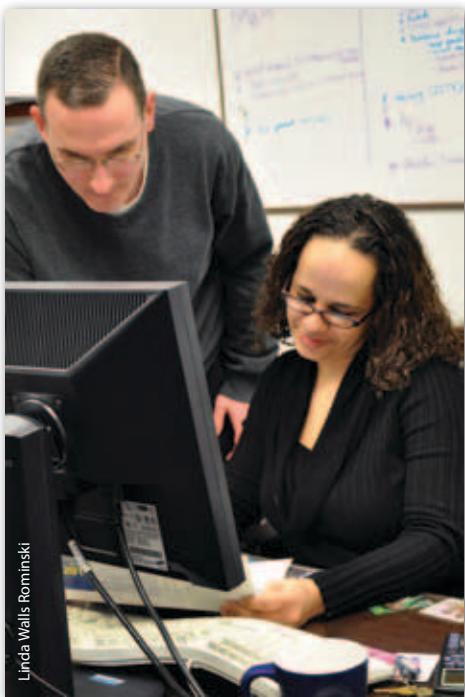
The OCC's investigators are knowledgeable and highly skilled at understanding residential utility customer issues and provide professional, courteous individualized service. The OCC's toll-free hotline number 1-877-PICKOCC (1-877-742-5622) put thousands of Ohioans in touch with OCC services.

In addition to communicating with utility customers by telephone, the CSD staff responded to e-mails, letters and voice mail messages, as well as to those who walked into the OCC. The CSD also distributed educational materials to customers.

CSD staff also educated customers about their utility rights and responsibilities, as well as about available utility assistance and energy efficiency programs offered by American Electric Power, Columbia Gas of Ohio, FirstEnergy, Dominion East Ohio, Duke Energy Ohio and Vectren Energy Delivery of Ohio, among others.

The OCC's Consumer Services Division achieved significant benefits and protections for customers of several utilities, including choice-eligible natural gas customers.

Compliance analysts also filed direct testimony in the Ohio American Water (OAW) rate case (*See Page 28*). They identified and recommended several customer protections and changes associated with OAW's proposal to combine the billings of certain residential accounts and delays in the reconnection of services.



CSD Team Leader Matt Jones and Manager Maria Durban oversee the statewide residential customer services program.

Consumer Services

The OCC also advocated for more tenant protections with vacated rental properties and customer protections concerning co-responsible third parties.

The OCC's customer service representatives answered questions or provide information about:

- ▶ Specific utility questions, concerns or complaints, including billing disputes and meter reading problems;
- ▶ Billing and service changes resulting from company filings before the Public Utilities Commission of Ohio;
- ▶ Requirements for deposits and establishing, maintaining or discontinuing utility services;
- ▶ Payment assistance and low-income programs and options;
- ▶ Medical certification waivers;
- ▶ Company sales and marketing practices in the electric, natural gas and telephone companies;
- ▶ Energy efficiency and cost saving tips;
- ▶ Referrals to other local, state and federal organizations; and
- ▶ The OCC's free customer publications.

Janine,

Your staff successfully resolved my issue with AEP. Excellent work; excellent result ... Thanks.

*Jerry Tinianow
E-mail addressed to
Janine Migden-Ostrander*



Compliance Investigator Lisa Cain responds to a customer about FirstEnergy's all-electric rates.

Highlights of OCC achievements in consumer services during 2010

- ▶ During 2010, employees of the OCC Consumer Services Division (CSD) helped more than 3,000 Ohioans avoid or restore disconnected utility services.
- ▶ The majority of customer contacts to the OCC involved electric (45 percent) and natural gas (32 percent) issues.
- ▶ The CSD responded to more than 800 individual e-mail messages from customers inquiring about FirstEnergy's all-electric rate issues.
- ▶ In February 2010, the CSD saw a 276 percent increase in the total number of customer contacts received from February 2009. During this month, more than half of the calls to the CSD were related to the FirstEnergy all-electric rate discount issue.
- ▶ Early in 2010, the CSD received more than 300 calls from customers with questions and concerns about Columbus Gas of Ohio's changes to the way it billed for natural gas.

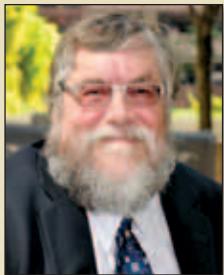
Employee Recognition



Joe Serio



Anthony Rodriguez



David Bergmann



Robin Tedrick



Chris Verich



Rusty Russell

The staff of the Office of the Ohio Consumers' Counsel (OCC) is made up of 73 professionals, including accountants, attorneys, communicators, educators, economists, engineers, investigators and administrative support staff. The OCC directors value the dedication and hard work of the staff.

The OCC employees are committed to lending a helping hand to fellow co-workers, as well as the community by participating in the Combined Charitable Campaigns, Operation Feed and various other charitable events throughout the year.

Employees performing their jobs in an exceptional manner and in line with the OCC's mission, vision and core values are recognized monthly from September through August by the OCC's directors. Annually, all OCC employees select an employee of the year from the 12 employees of the month.

2010 Employee of the Year

Joe Serio

As an assistant consumers' counsel, Joe Serio has handled complex issues related to the natural gas and telecommunications industries. He is a member of the natural gas team.

Joe earned a Bachelor of Arts degree from Ohio Northern University in May 1980. He received his law degree from Capital University Law School in May 1986.

Joe, who joined the OCC in November 1986, was selected Employee of the Month for September 2009. He also was selected Employee of the Year for 2009-2010.

Anthony Rodriguez

As a public information specialist, Anthony Rodriguez primarily focuses on increasing public awareness of the OCC and increasing understanding of utility issues to the media and general public.

Anthony is the communications specialist for the electric, resource planning and water teams, where he works to keep other members informed of industry-specific communications and increase awareness of case team work that will benefit residential customers.

Anthony received a Bachelor of Arts degree in journalism from The Ohio State University. He joined the OCC in January 2006. Anthony was selected Employee of the Month for October 2009.

David Bergmann

David Bergmann, an assistant consumers' counsel, has specialized in the telecommunications industry since 1992. During his tenure with the agency, he also has served as a consumer services attorney, supervising attorney and as legal director for six years. David also serves as the chair for the telecommunications committee of the National Association of State Utility Consumer Advocates.

David received a bachelor's degree from Michigan State University and his law degree from the University of Michigan. He subsequently received a Master of Business Administration degree from The Ohio State University. He joined the OCC in 1982. David was selected Employee of the Month for November 2009.

Robin Tedrick

Robin Tedrick is the OCC's records retention specialist and is responsible for managing the OCC's data and records. She maintains an inventory of records, advises the OCC staff on the procedures for maintenance and storage of records, and responds to inquiries and requests for records according to the OCC's public records policy.

Robin has a certificate from the Ohio Certified Public Managers and has taken courses at both Columbus State Community College and The Ohio State University. She joined the OCC in February 2009 and was selected Employee of the Month for December 2009.

Chris Verich

As senior outreach and education program specialist, Chris Verich's responsibilities include giving speeches to community and professional organizations on a wide range of utility topics including electric, natural gas, telephone and water. He also attends shows and fairs to increase awareness of the OCC's services by speaking with customers, answering their questions and distributing information. Chris coordinates the OCC's outreach and education efforts in northeast Ohio.

Chris earned bachelor's and master's degrees in political science from Kent State University. He joined the OCC in March 2002. Chris was selected Employee of the Month for January 2010.

Employee Recognition



Andrew Tinkham



Maureen Grady



Terry Orahood



Brian Vogt



Melissa Yost



Linda Walls
Rominski

Rusty Russell

Rusty Russell was a regulatory analyst with the OCC, where he assisted attorneys with rate case preparation and participated on projects concerning expense and revenue reporting by utility companies.

Rusty graduated with a bachelor's degree in professional writing from The Ohio State University. He joined the OCC in 2000 as a compliance investigator in the Consumer Services Division and was promoted in 2005. He was named Employee of the Year in 2003. He left the OCC in May 2010. Rusty was selected Employee of the Month for February 2010.

Andrew Tinkham

Andrew Tinkham is an outreach and education program specialist with the OCC representing southeast Ohio. Andrew joined the OCC in 2002. Andrew's responsibilities include conducting presentations to social and human service agencies, community and professional organizations and other interested groups on a wide range of utility topics, including electric, natural gas, telephone and water. He also plays an active role in educating customers about the OCC's services during meetings and public hearings, answering questions and distributing information, such as fact sheets, brochures and newsletters.

Andrew earned a bachelor's degree in history from Otterbein College. Andrew was selected Employee of the Month for March 2010.

Maureen Grady

As an assistant consumers' counsel with the OCC, Maureen Grady specializes in the litigation of complex electric cases, but has diverse legal experience and has served on cases across all utility industries.

Maureen graduated from the University of Dayton with a bachelor's degree in criminal justice. She began her OCC career in 1982 as a legal intern. After graduating from Capital University Law School, she provided her legal expertise to the OCC from 1988–1992, before rejoining the agency in 2004. Maureen was selected Employee of the Month for April 2010.

Terry Orahood

Terry Orahood was the administration manager for the OCC. Terry was responsible for managing the accounts payable, telecommunication issues and the office's fleet of vehicles. In addition, he purchased equipment for the OCC and prepared budget reports.

Terry holds an accounting diploma from Bliss College. He joined the OCC in 1980 and retired in July 2010 as the OCC's first 30-year employee. He was awarded Employee of the Quarter in 1998 and was selected Employee of the Month for May 2010.

Brian Vogt

In the Consumers Services Division, Brian Vogt educated customers on various issues regarding regulated utilities, investigated and resolved customer complaints and concerns, identified customer issues, made recommendations for action and negotiated informal resolutions with utility companies. In October 2010, he was promoted to regulatory analyst in the OCC's Analytical Department.

Brian joined the OCC in November 2004. He graduated from The Ohio State University in 1986 with bachelor's and master's degrees in agricultural education, the latter in 1988. Brian was selected Employee of the Month for June 2010.

Melissa Yost

Melissa Yost serves as senior counsel at the OCC, which requires her to provide legal advice and recommendations to the consumers' counsel and the deputy consumers' counsel. She provides research and analysis of complex legal and policy issues, general legal advice and assistance on a variety of legal matters. She is responsible for ensuring the OCC's written work in appeals at the Supreme Court of Ohio is in compliance with the Court's rules of practice. Melissa also is a member of the water team and serves as the OCC ethics officer.

Melissa joined the OCC in November 2005. She earned her law degree with cum laude distinction from Capital University Law School in 1999. She received her bachelor's degree in natural resources development with a focus on environmental monitoring and assessment from The Ohio State University in 1993. She was selected Employee of the Month for July 2010.

Linda Walls Rominski

Linda Walls Rominski manages the outreach and education activities of the Communications Department as community outreach manager. She and her staff provide seminars, workshops and public forums to educate customers about a variety of utility topics.

Linda joined the OCC in October 1996. She earned a Bachelor of Science degree in social work from West Virginia University and a Master of Arts in counseling and guidance from Marshall University. She was selected Employee of the Month for August 2010.



Fiscal Report

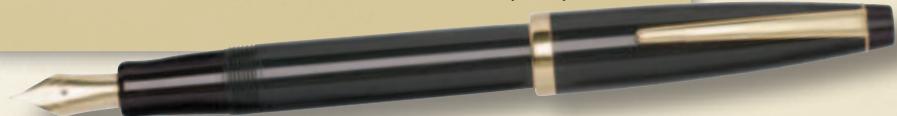
The Office of the Ohio Consumers' Counsel (OCC) is funded through an assessment on the intrastate gross receipts of the state's investor-owned utility companies, based on Section 4911.18 of the Ohio Revised Code. Total assessments for fiscal year 2010 amounted to \$7,595,270 after adjustments.

The OCC assessed 442 utility companies for operating funds for fiscal year 2010. Companies can pass on the cost of supporting the OCC to their customers (less than 3.5 cents of every \$100 paid in utility bills).

Operating budget

Fiscal year 2011 appropriations
(July 1, 2010 through June 30, 2011)

Personnel services	\$ 6,736,000
Maintenance and equipment.....	\$ 1,003,000
Purchased personal services.....	\$ 759,000
Total	\$ 8,498,000



Cases with All Utilities at the Public Utilities Commission of Ohio

Case Number	Company/Case Type	Issue
08-0723-AU-ORD	Rulemaking	Establishment of Credit, Percentage of Income Payment Plan and Service Disconnection
08-0558-AU-ORD	Rulemaking	Rate Case Rules

Electricity Cases at the Public Utilities Commission of Ohio

Case Number	Company/Case Type	Issue
10-3126-EL-UNC	Ohio Electric Companies	Decoupling
10-3023-EL-EEC	Ohio Edison	Energy Efficiency/Peak Demand Reduction
10-3024-EL-EEC	Cleveland Electric Illuminating	
10-3025-EL-EEC	Toledo Edison	
10-2929-EL-UNC	American Electric Power	Capacity
10-2586-EL-SSO	Duke Energy Ohio	Market Rate Offer
10-2429-EL-ATA	Duke Energy Ohio	Time of Day Rate
10-2376-EL-UNC	Columbus Southern Power Ohio Power	Merger
10-2115-EL-EEC	Toledo Edison	Special Arrangement with AK Tube
10-1912-EL-EEC	Cleveland Electric Illuminating	Mercantile/American Brazing
10-1911-EL-EEC	Cleveland Electric Illuminating	Mercantile/John Carroll University
10-1458-EL-AEC	Ohio Power	Special Arrangement with Severstal
10-1461-EL-AEC		
10-1454-EL-RDR	Ohio Power	Phillip Sporn Generating Station #5 Plant Shut-down Rider

10-1335-EL-UNC	FirstEnergy	Percentage of Income Payment Plan Bill Format
10-1268-EL-RDR	Duke Energy Ohio	Annually Adjusted Component
10-1265-EL-UNC	Cleveland Electric Illuminating Ohio Edison Toledo Edison	Significantly Excessive Earnings Test
10-1261-EL-UNC	Columbus Southern Power Ohio Power	Significantly Excessive Earnings Test
10-1128-EL-CSS	Ohio Consumers' Counsel v. FirstEnergy	Windmill Interconnection Complaint
10-1072-EL-RDR	American Electric Power	Economic Development Recovery Rider
10-1006-EL-UNC	Dayton Power & Light	Percentage of Income Payment Plan Bill Format
10-0981-EL-RDR	Duke Energy Ohio	Transmission Cost Recovery Rider
10-0979-EL-ATA	Duke Energy Ohio	Critical Peak Pricing
10-0974-EL-FAC	Duke Energy Ohio	Fuel Purchase Power and System Reliability Tracker
10-0911-EL-REN	American Electric Power	Biomass/Muskingum River Plant
10-0870-EL-FAC	American Electric Power	Fuel Adjustment Clause
10-0843-EL-EEC	Mercantile	Energy Efficiency Pilot Program
10-0833-EL-EEC	Ohio Electric Companies	Order Approving 241 Mercantile Cases
10-0826-EL-ATA	Dayton Power & Light	Market Based Generation Rates
10-0734-EL-AEC	Dayton Power & Light	Special Arrangement with Caterpillar
10-0725-EL-USF	Ohio Department of Development	2010 Universal Service Fund

2010 Case Activity

10-0656-EL-UNC	Duke Energy Ohio	Significantly Excessive Earnings Test	10-0317-EL-EEC	Duke Energy Ohio	Annual Energy Efficiency Portfolio Status Report
10-0518-EL-RDR	Duke Energy Ohio	Annually Adjusted Component	10-0303-EL-POR	Dayton Power & Light	Energy Efficiency and Peak Demand Reduction Portfolio Plan Status Report
10-0517-EL-WVR	American Electric Power	Significantly Excessive Earnings Test	10-0262-EL-UNC	Dayton Power & Light	Residential and Small Business Renewable Energy Credits Purchase Program Agreement
10-0513-EL-ACP	Duke Energy Ohio	Force Majeure	10-0249-EL-WVR	Duke Energy Ohio	Smart Grid Waivers
10-0512-EL-WVR	Duke Energy Ohio	Advanced and Renewable Energy Baseline and Benchmark for One Time Waiver of Rule	10-0245-EL-UNC 10-0246-EL-UNC 10-0247-EL-AIS	American Electric Power	Transmission
10-0511-EL-ACP	Duke Energy Ohio	Advanced and Renewable Energy Baseline and Benchmark for One Time Waiver of Rule	10-0227-EL-EEC 10-0228-EL-EEC 10-0229-EL-EEC	Ohio Edison Cleveland Electric Illuminating Toledo Edison	Annual Energy Efficiency Portfolio Status Report
10-0506-EL-ACP	FirstEnergy	10-Year Alternative Energy Compliance Plan	10-0198-EL-CSS	Eichman v. Toledo Edison	Windmill Interconnection Complaint
10-0505-EL-FOR	Dayton Power & Light	Forecasting	10-0194-EL-CSS	Lemke v. Toledo Edison	Windmill Interconnection Complaint
10-0504-EL-FOR	FirstEnergy	Forecasting	10-0176-EL-ATA	FirstEnergy	All-Electric Service Credit
10-0503-EL-FOR	Duke Energy Ohio	Forecasting	10-0164-EL-RDR	Columbus Southern Power	Smart Grid
10-0501-EL-FOR	Ohio Power Columbus Southern Power	Forecasting	10-0163-EL-RDR	American Electric Power	Enhanced Reliability
10-0502-EL-FOR			10-0155-EL-RDR	American Electric Power	Environmental Investment
10-0499-EL-ACP	FirstEnergy	2009 Alternative Energy Compliance Review	10-0154-EL-RDR	American Electric Power	Economic Development Rider
10-0493-EL-ACP	DPL Energy Resources Inc.	10-Year Alternative Energy Compliance Plan	10-0135-EL-EEC	Dayton Power & Light	Initial Benchmark Report
10-0492-EL-ACP	DPL Energy Resources Inc.	2009 Alternative Energy Compliance Report	10-0089-EL-RDR	Dayton Power & Light	Alternative Energy Rider
10-0490-EL-ACP	Dayton Power & Light	10-Year Alternative Energy Compliance Plan	10-0088-EL-RDR	Dayton Power & Light	Transmission Cost Recovery Rider
10-0489-EL-ACP	Dayton Power & Light	2009 Alternative Energy Compliance Report	09-2006-EL-ACP	DPL Energy Resources, Inc.	Energy Resources 2009 Solar Benchmarks
10-0484-EL-ACP	Columbus Southern Power	2009 Alternative Energy Compliance Plan	09-1999-EL-POR	Duke Energy Ohio	Energy Efficiency and Peak Demand Reduction Portfolio Plans
10-0485-EL-ACP	Ohio Power		09-1989-EL-ACP	Dayton Power & Light	Solar Energy Benchmark 2009
10-0479-EL-UNC	Commission Review	Fuel Adjustment Clause Guidelines	09-1988-EL-EEC	Dayton Power & Light	Energy Efficiency Benchmark
10-0477-EL-RDR	American Electric Power	Transmission Cost Recovery Rider	09-1987-EL-EEC	Dayton Power & Light	Peak Demand Reduction Benchmarks
10-0468-EL-ACP	FirstEnergy	10-Year Alternative Energy Compliance Plan	09-1986-EL-EEC	Dayton Power & Light	Program Portfolio Filing Requirements
10-0467-EL-ACP	FirstEnergy	2009 Alternative Energy Compliance Report	09-1947-EL-POR 09-1948-EL-POR 09-1949-EL-POR	Ohio Edison Cleveland Electric Illuminating Toledo Edison	Three-Year Energy Efficiency and Peak Demand Reduction Plan and Initial Benchmark Report for 2010-2012
10-0455-EL-ATA	Duke Energy Ohio	Peak Time Rebates	09-1946-EL-ATA	Duke Energy Ohio	Storm Costs
10-0424-EL-ATA	American Electric Power	Residential Time of Day Rates	09-1942-EL-EEC 09-1943-EL-EEC 09-1944-EL-EEC	Ohio Edison Cleveland Electric Illuminating Toledo Edison	Energy Efficiency and Peak Demand Reduction Plan Initial Benchmark Report
10-0388-EL-SSO	FirstEnergy	Electric Security Plan Stipulation	09-1940-EL-REN	FirstEnergy Solutions	Biomass/Burger Plant
10-0343-EL-ATA	Columbus Southern Power	Emergency Service Curtailment Riders			
10-0344-EL-ATA	Ohio Power				
10-0318-EL-EEC	Columbus Southern Power	Annual Energy Efficiency Portfolio Status Report			
10-0319-EL-EEC	Ohio Power				

2010 Case Activity

09-1922-EL-EEC	Ohio Edison Cleveland Electric Illuminating Toledo Edison	Solar Energy Resource Benchmarks	09-1201-EL-EEC	Ohio Edison	Special Arrangement with Heinz Frozen Food Co.
09-1878-EL-REN	Duke Energy Ohio/ Dayton Power & Light/American Electric Power	Biomass/Zimmer Plant	09-1200-EL-EEC	Ohio Edison	Special Arrangement with PPC Airfoils, LLC
09-1877-EL-REN	Duke Energy Ohio/ Dayton Power & Light	Biomass/Miami Fort Plant	09-1120-EL-EEC	Cleveland Electric Illuminating	Mercantile/Arcelor Mittal USA
09-1874-EL-ACP	Columbus Southern Power	Renewable Energy Credit Purchase Offer Program	09-1118-EL-EEC	Cleveland Electric Illuminating	Mercantile/Catanzarite
09-1873-EL-ACP	Ohio Power	Renewable Energy Credit Purchase Offer Program	09-1117-EL-EEC	Cleveland Electric Illuminating	Mercantile/Charter Manufacturing Co.
09-1872-EL-ACP	Columbus Southern Power	Renewable Energy Technology Program	09-1116-EL-EEC	Cleveland Electric Illuminating	Mercantile/Energizer Battery Manufacturing
09-1871-EL-ACP	Ohio Power	Renewable Energy Technology Program	09-1107-EL-EEC	Cleveland Electric Illuminating	Mercantile/Sherwin Williams
09-1860-EL-REN	Columbus Southern Power	Biomass/Conesville Plant	09-1103-EL-EEC	Cleveland Electric Illuminating	Mercantile/Parma General Hospital
09-1820-EL-ATA 09-1821-EL-GRD 09-1822-EL-EEC 09-1823-EL-AAM	Ohio Edison Cleveland Electric Illuminating Toledo Edison	Smart Grid	09-1100-EL-EEC	Cleveland Electric Illuminating	Special Arrangement with Lubrizol Corp.
09-1701-EL-EEC	Dayton Power & Light	Special Arrangement with Appleton Papers, Inc.	09-1095-EL-UNC	American Electric Power/Ormet	Economic Development Cost Recovery Rider
09-1326-EL-EEC	Toledo Edison	Mercantile/Johns Controls	09-1094-EL-UNC	American Electric Power	Fuel Adjustment Clause
09-1320-EL-EEC	Toledo Edison	Mercantile/Rexam Beverage Can Co.	09-1089-EL-POR	American Electric Power	Energy Efficiency and Peak Demand Reduction Program Portfolio Plan
09-1318-EL-EEC	Toledo Edison	Mercantile/Johns Manville Waterville Complex	09-1043-EL-REN	South Point Biomass Generation	Biomass/ South Point Plant
09-1317-EL-EEC	Toledo Edison	Mercantile/Marsulex	09-1042-EL-REN	FirstEnergy Solutions	Biomass/Bayshore Plant
09-1309-EL-EEC	Toledo Edison	Mercantile/North Star Bluescope Steel	09-1023-EL-REN	Duke Energy Ohio	Biomass/Beckjord Plant
09-1306-EL-EEC	Toledo Edison	Mercantile/Kelsey-Hayes Co.	09-1004-EL-EEC 09-1005-EL-EEC 09-1006-EL-EEC	Ohio Edison Cleveland Electric Illuminating Toledo Edison	Reducing Energy Efficiency Benchmarks
09-1305-EL-EEC	Toledo Edison	Mercantile/KAMCO Industries	09-0974-EL-FAC 09-0975-EL-RDR	Duke Energy Ohio	Fuel Purchase Power and System Reliability
09-1303-EL-EEC	Toledo Edison	Mercantile/Calphalon Corp.	09-0951-EL-EEC 09-0952-EL-EEC 09-0953-EL-EEC	Ohio Edison Cleveland Electric Illuminating Toledo Edison	Transmission & Distribution Projects
09-1300-EL-EEC	Toledo Edison	Mercantile/Sauder Woodworking	09-0906-EL-SSO	Ohio Edison Toledo Edison Cleveland Electric Illuminating	Market-Rate Offer
09-1226-EL-EEC	Ohio Edison	Mercantile/Johnny Appleseed	09-0891-EL-REN 09-0892-EL-REN	Dayton Power & Light/Killen	Renewable Energy Resource Facility
09-1217-EL-EEC	Ohio Edison	Mercantile/Ohio Star Forge	09-0872-EL-FAC 09-0873-EL-FAC	American Electric Power	Fuel Adjustment Clause
09-1216-EL-EEC	Ohio Edison	Mercantile/Ellwood Engineered Casting	09-0834-EL-REN	Duke Energy Ohio	Renewable Energy Credits
09-1214-EL-EEC	Ohio Edison	Mercantile/Korff Holdings	09-0786-EL-UNC	Ohio Electric Utilities	Significantly Excessive Earnings Test
09-1208-EL-EEC	Ohio Edison	Mercantile/Coastal Pet Products			
09-1206-EL-EEC	Ohio Edison	Mercantile/Pastipak Packaging			
09-1205-EL-EEC	Ohio Edison	Mercantile/Elyria Foundry			
09-1204-EL-EEC	Ohio Edison	Mercantile/US Food Service Cleveland			
09-1203-EL-EEC	Ohio Edison	Mercantile/Cardington Yutaka Technology			
09-1202-EL-EEC	Ohio Edison	Mercantile/Automated Packaging Systems			

2010 Case Activity

09-0759-EL-ESS	Ohio Edison Toledo Edison Cleveland Electric Illuminating	Minimum Reliability Performance Standards
09-0757-EL-ESS	Duke Energy Ohio	Minimum Reliability Performance Standards
09-0756-EL-ESS	American Electric Power	Minimum Reliability Performance Standards
09-0754-EL-ESS	Dayton Power & Light	Minimum Reliability Performance Standards
09-0730-EL-REN	P.H. Glatfelter Co.	Eligible Renewable Energy Source
09-0717-EL-REN	Sauder Woodworking	Biomass
09-0595-EL-EEC	Cleveland Electric Illuminating	Special Arrangement with Progressive Casualty Insurance Co.
09-0580-EL-EEC	Ohio Edison	Energy Efficiency Program
09-0581-EL-EEC	Cleveland Electric Illuminating	
09-0582-EL-EEC	Toledo Edison	
09-0553-EL-EEC	Ohio Edison Cleveland Electric Illuminating Toledo Edison	Approval of Administrative Fees
09-0516-EL-AEC	Columbus Southern Power	Special Arrangement with Eramet
09-0464-EL-UNC	American Electric Power	Corporate Separation
09-0283-EL-UNC	Duke Energy Ohio	Demand Side Management
09-0080-EL-AEC	Ohio Edison	Economic Development with V&M Star
09-0037-EL-AAM	American Electric Power	Fuel
08-1094-EL-SSO	Dayton Power & Light	Electric Security Plan/Smart Grid
08-1095-EL-ATA		
08-1096-EL-AAM		
08-1097-EL-UNC		
08-0920-EL-SSO	Duke Energy Ohio	Electric Security Plan
08-0921-EL-AAM		
08-0922-EL-UNC		
08-0923-EL-ATA		
08-0888-EL-ORD	Rulemaking to Implement Senate Bill 221	Energy Efficiency and Demand Reduction Benchmarks; Alternative Energy Portfolio Standard; Greenhouse Gas Reporting and Carbon Dioxide Control Planning; Long-Term Forecast Reports for Natural Gas Utilities and Electric Utilities
06-1085-EL-UNC	Duke Energy Ohio	Annually Adjusted Component
06-1069-EL-UNC	Duke Energy Ohio	System Reliability Tracker
06-1068-EL-UNC	Duke Energy Ohio	Fuel and Purchased Power Costs
05-0724-EL-UNC	Cincinnati Gas & Electric	System Reliability Tracker

03-2081-EL-AAM	Cincinnati Gas & Electric	Transmission and Distribution Cost Deferrals
03-2080-EL-ATA	Cincinnati Gas & Electric	Market-Based Electricity Pricing after End of Market Development Period
03-2079-EL-AAM		
03-0093-EL-ATA		

Electric Cases at the Supreme Court of Ohio

Case Number	Case Name	Issue
2010-0723	AEP v. PUCO (OCC Intervening Appellee)	AEP's Appeal of Decision in Eramet/Columbus Southern Power Special Arrangement Regarding PUCO Case No. 09-516-EL-AEC
2010-0722	AEP v. PUCO (OCC Intervening Appellee)	AEP's Appeal of Decision in AEP Economic Development Cost Rider Regarding PUCO Case No. 09-1095-EL-UNC
2009-2298	AEP v. PUCO (OCC Intervening Appellee)	AEP's Appeal of Decision in AEP Electric Security Plan Case to Collect Operating and Maintenance Costs from Waterford and Darby Electric Regarding PUCO Case No. 08-917-EL-SSO
2009-2060	AEP v. PUCO (OCC Intervening Appellee)	AEP's Appeal of Decision in Ormet's Special Arrangement case with AEP Regarding PUCO Case No. 09-119-EL-AEC
2009-2022	OCC v. PUCO	OCC's Appeal of Decision in AEP Electric Security Plan Regarding PUCO Case Nos. 08-917-EL-SSO et al.
2009-0669	OCC v. PUCO	OCC's Appeal of Decision on Government Aggregation Charge in Duke Energy Ohio Electric Security Plan Regarding PUCO Case Nos. 08-920-EL-SSO et al.

Electric Cases at the Federal Energy Regulatory Commission

Case Number	Company/Case Type	Issue
ER11-2288	PJM Interconnection LLC	Proposed Demand Response Products and Limits
ER10-2254	Duke Energy Ohio/Duke Energy Kentucky	Fixed Resource Requirement Plan
ER11-2183	American Electric Power	Capacity Compensation
ER11-2140	PJM Interconnection LLC	Transmission Expansion Plan Updates
ER11-2059	Midwest Independent System Operator	Financial Transmission Rights
ER10-1791	Midwest Independent System Operator	Midwest Independent System Operator Cost Allocation

2010 Case Activity

ER10-1562	Duke Energy Ohio/Duke Energy Kentucky	Regional Transmission Organization Realignment Request
ER10-549	PJM Interconnection LLC	Load Forecasting
EL10-78	PJM Interconnection LLC	Ethics Code of Conduct Revisions
EC10-68	FirstEnergy/ Allegheny	Application for Approval of Merger
EL10-63	EnerNOC v. FirstEnergy	Complaint Regarding FirstEnergy Auctions
EL10-60	PJM Interconnection LLC v. Midwest Independent System Operator	Complaint
EL10-45	Midwest Independent System Operator v. PJM Interconnection LLC	Complaint
EL10-46		
RM10-23	Rulemaking	Transmission Planning and Cost Allocation
AD10-13	Administrative	Treatment of Rates, Accounting and Financial Reports for Electric Storage
EL10-6	FirstEnergy Service Co.	Complaint Requesting Amendment of PJM Open Access Transmission Tariff
AD10-5	Administrative	RTO Performance Metrics
ER09-1589	FirstEnergy Service Co.	Regional Transmission Organization Realignment Request
ER09-1279	American Electric Power Service Corp.	Proposed Amendments to Affiliate Transmission Agreements
ER09-1063	PJM Interconnection LLC	Revisions to PJM Open Access Transmission Tariff in Compliance with Order 719
ER09-1049	Midwest Independent System Operator	MISO Revisions to its Open Access Transmission Energy and Operating Reserve Markets Tariff in Compliance with Order 719
ER09-412	PJM Interconnection LLC	PJM's Method of Addressing Excess Capacity
AD09-10	Administrative	National Action Plan on Demand Response
EL05-121	PJM Interconnection LLC	PJM Transmission Cost Allocation
RM10-10	Rulemaking	Reliability Standards
RM10-11	Rulemaking	Integration of Variable Energy Resources
RM10-17	Rulemaking	Demand Response Compensation
ER11-1844	Midwest Independent System Operator	Transformer Cost Allocation

Electric Cases at the United States Department of Energy

Case Type	Issue
Request for Information	Smart Grid Privacy Issues
Request for Information	Smart Grid Policy & Logistical Implementation Challenges

Natural Gas Cases at the Public Utilities Commission of Ohio

Case Number	Company/Case Type	Issue
10-2853-GA-RDR	Dominion East Ohio Gas	Automated Meter Reading
10-2788-GA-RDR 10-2789-GA-RDR	Duke Energy Ohio	Adjustment to Automated Meter Reading Program Rider
10-2633-GA-AEC	Dominion East Ohio Gas	Competitive Response Rate
10-2441-GA-WVR	Columbia Gas of Ohio	Pipeline Refund
10-2395-GA-CSS	Ohio Consumers' Counsel v. Interstate Gas Supply	Complaint
10-2353-GA-RDR	Columbia Gas of Ohio	Adjustment to Infrastructure Replacement Program and Demand Side Management Rider
10-1395-GA-ATA	Vectren Energy Delivery	Low-Income Pilot Program
10-1161-GA-UNC	Columbia Gas of Ohio	Percentage of Income Payment Plan Bill Format
10-0970-GA-UNC	Suburban Natural Gas	Percentage of Income Payment Plan Bill Format
10-0733-GA-RDR	Dominion East Ohio Gas	Pipeline Infrastructure Replacement Program
10-0604-GA-PIP	Dominion East Ohio Gas	Percentage of Income Payment Plan Rider Audit
10-0595-GA-RDR	Vectren Energy Delivery	Distribution Replacement Rider
10-0457-GA-WVR	Columbia Gas of Ohio	Standard Service Offer Reconciliation Rider/ Tennessee Gas Rebates for Economic Development
10-0241-GA-RDR	Duke Energy Ohio	Firm Balancing Service and Enhanced Firm Balancing Service
10-0221-GA-GCR	Columbia Gas of Ohio	Management/Performance Audit
10-0212-GA-GCR	Orwell Natural Gas	Financial Audit
10-0209-GA-GCR	Northeast Ohio Natural Gas	Financial Audit
10-0200-GA-ATA	Dominion East Ohio Gas	Low-Income Percentage of Income Payment Plan Pilot Program
10-0105-GA-GPS	Dominion East Ohio Gas	Gas Pipeline Safety

2010 Case Activity

09-2011-GA-PIP	Dominion East Ohio Gas	Interim Emergency/Temporary Percentage Income Plan Rider
09-1875-GA-UNC	Dominion East Ohio Gas	Automated Meter Reading
09-1849-GA-UNC	Duke Energy Ohio	Accelerated Main Replacement Program
09-1850-GA-ATA		
09-1036-GA-UNC	Columbia Gas of Ohio	Infrastructure Replacement Program and Demand Side Management Rider Rates
09-0829-GA-ORD	Ohio Natural Gas Utilities	Pipeline Safety Rules
09-0458-GA-UNC	Dominion East Ohio Gas	Pipeline Infrastructure Replacement Program
09-0218-GA-GCR	Duke Energy Ohio	Management/Performance Audit for Gas Costs
08-1248-GA-WVR	Columbia Gas of Ohio	Pipeline Refund
08-1229-GA-COI	Rulemaking	Natural Gas Company Uncollectible Riders
08-0941-GA-ALT	Pike Natural Gas	Alternative Regulation
08-0940-GA-ALT	Eastern Natural Gas	Alternative Regulation
08-0606-GA-AAM	Columbia Gas of Ohio	Defer Environmental Investigation and Remediation Costs
08-0360-GA-CSS	Manchester Group v. Columbia Gas of Ohio	Complaint
07-1285-GA-EXM	Vectren Energy Delivery	Exit From Merchant Function
07-1080-GA-AIR	Vectren Energy Delivery	Rate Case and Alternative Rate Plan
07-1081-GA-ALT		
02-1828-GA-CRS	Commerce Energy d/b/a Just Energy	Marketing and Solicitation Provisions
02-1683-GA-CRS	Interstate Gas Supply	Trade Name Change to Columbia Retail Energy

Natural Gas Cases at the Supreme Court of Ohio

Case Number	Case Name	Issue
2010-0563	Dominion East Ohio v. PUCO (OCC Intervening Appellee)	Dominion East Ohio's Appeal of Decision on Pipeline Infrastructure Replacement Regarding PUCO Case No. 09-458-GA-RDR
2009-1547	OCC v. PUCO	OCC's Appeal of Decision on Straight Fixed Variable Charge Regarding PUCO Case Nos. 07-1080-GA-AIR et al.

Natural Gas Cases at the Federal Energy Regulatory Commission

Case Number	Company/Case Type	Issue
RP11-1435	Columbia Gulf Transmission Co.	Rate Case
CP10-107	Dominion East Ohio/Dominion Transmission Inc.	Storage Lease

Combined Natural Gas/Electric Cases at the Public Utilities Commission of Ohio

Case Number	Company/Case Type	Issue
10-2326-GE-RDR	Duke Energy Ohio	Smart Grid
10-1339-GE-UNC	Duke Energy Ohio	Percentage of Income Payment Plan Bill Format
10-1336-GE-UNC	Commission Investigation	Winter Disconnect
10-0867-GE-RDR	Duke Energy Ohio	Smart Grid
09-0512-GE-UNC	Ohio's Natural Gas and Electric Utilities	Energy Efficiency and Peak Demand Reduction

Telecommunications Cases at the Public Utilities Commission of Ohio

Case Number	Company/Case Type	Issue
10-2387-TP-COI	Commission Investigation	Access Charge Reform
10-2377-TP-COI	Commission Investigation	Prepaid Lifeline Competitive Eligible Telecommunication Carriers
10-3108-TP-BLS	Cincinnati Bell	Basic Local Exchange Service
10-2449-TP-UNC	Cincinnati Bell Wireless	Eligible Telecommunications Carrier to Provide Lifeline
10-1412-TP-BLS	AT&T	Basic Local Exchange Service
10-1010-TP-ORD	Rulemaking	Senate Bill 162
10-0849-TP-ACO	Nova	Acquisition
10-0668-TP-UNC	Budget Prepay	Eligible Telecommunications Carrier to Provide Lifeline
10-0614-TP-UNC	TracFone	Eligible Telecommunications Carrier to Provide Lifeline
10-0432-TP-UNC	Nexus Communications d/b/a TSI	Eligible Telecommunications Carrier to Provide Lifeline
10-0429-TP-UNC	Virgin Mobile	Eligible Telecommunications Carrier to Provide Lifeline
09-455-TP-ACE	Frontier/Verizon	Certificate
09-454-TP-ACO	Frontier/Verizon	Acquisition

2010 Case Activity

Telecommunications Cases at the Federal Communications Commission

Case Number	Company/Case Type	Issue
WC10-208*	Rulemaking	Universal Service Reform Mobility Fund
WC10-143*	CRC Communications of Maine and Time Warner Cable, Inc.	Rural Exemption of Small Rural Local Exchange Carriers in Maine
WC10-136	Nova Telephone Co.	Transfer Control
WC10-132*	Rulemaking	Wireline Data Collection Practices
GN10-127*	Notice of Inquiry	Framework for Broadband Internet Service
WC10-110*	CenturyLink/Qwest	Merger
PS10-93*	Notice of Inquiry	Cyber Security Certification Program
PS10-92*	Notice of Inquiry	Broadband Survivability
WC10-90*	Notice of Inquiry	Broadband Cost Model and Universal Service Fund Savings
WC10-60*	Global NAPS	Intercarrier Compensation
WC10-45*	Michigan Competitive Local Exchange Carriers	Preemption of a Michigan Statute (Act 182)
GC10-44*	Rulemaking	Rules of Practice and Procedure
GC10-43*	Rulemaking	Ex Parte Rules
WC10-42*	Petition	Late Fees on Wireless Service
WC10-14*	Maine Petition for Declaratory Ruling	Unbundling of Dark Fiber
WC09-223*	Cbeyond, Inc.	Unbundling of Fiber Loops
WC09-222*	Rulemaking	Petition for Section 271
WC09-197*	PlatinumTel Communications	Lifeline Petition for Forbearance
GN09-191*	Notice of Inquiry	Preserving Open Internet
CG09-158*	Notice of Inquiry	Consumer Information and Disclosure
GN09-137*	Rulemaking	Broadband Deployment
WC09-135*	Qwest	Unbundling Forbearance for Phoenix Metro
GN09-51*	Formation of National Broadband Plan	National Broadband Plan
GN09-47*	Formation of National Broadband Plan	Definition of Broadband
WC 07-97*	Qwest	Remand of Petition for Forbearance of Unbundling Rules in Four Metro Areas
WC07-52*	Notice of Inquiry	Broadband Industry Practices
WC06-172*	Verizon	Remand of Petition for Forbearance of Unbundling Rules in Six Metro Areas
WC06-122*	Nebraska Public Service Commission/ Kansas Corporation Commission	Petition to Allow State Universal Service Funds to Assess Nomadic VoIP

WC05-337*	Rulemaking	Non-Rural High Cost Fund
ET04-35*	Rulemaking	Broadband Disruptions
WC03-109*	Rulemaking	Comments for Joint Board Recommended Decision; Effects of "One-Per Household" Rule for Lifeline in Group Living Facilities
CC02-278*	Rulemaking	Prerecorded Telemarketing Calls
CC02-6*	Rulemaking	E Rate Schools
CC01-92*	Rulemaking	Intercarrier Compensation
CC96-45*	Conexions	Petition for Forbearance to Allow Non-Facilities-Based Carrier to Receive Federal Lifeline Funds
CC80-286*	Rulemaking	Continuing Separations Freeze

* This case activity is with the National Association of State Utility Consumer Advocates.

U.S. Court of Appeals District of Columbia Circuit

Case Number	Case Name	Issue
10-1184*	Vermont PSB & Maine PUC v. FCC	Appeal Non-Rural High-Cost Remand Order
08-1353; 08-1226*	NASUCA v. FCC	Forbearance from ARMS Reporting and Cost Allocation Rules
08-1257*	Qwest v. FCC ¹	Qwest Metro Forbearance

¹ Intervenor

* This case activity is with the National Association of State Utility Consumer Advocates.

U.S. Court of Appeals 10th Circuit

Case Number	Case Name	Issue
10-9453*	Qwest v. FCC	Petition for Forbearance on Unbundling for Phoenix MSA

* This case activity is with the National Association of State Utility Consumer Advocates.

Water Cases at the Public Utilities Commission of Ohio

Case Number	Company/Case Type	Issue
10-0311-WW-AIR	Aqua Ohio (Stark County)	Rate Case
09-1044-WW-AIR	Aqua Ohio	Rate Case
09-0560-WW-AIR	Aqua Ohio (Masury)	Rate Case
09-0391-WS-AIR	Ohio American Water	Rate Case
08-1125-WW-UNC	Aqua Ohio	Monitoring Compliance with the Terms and Conditions of the Settlement of a Rate Case

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