



# Ohio House Bill 247



May 2020

# House Bill 247

Smart grid: Expand and grow

Infrastructure: Match gas economic development

Monopoly Service Offerings:  
Removes oversight and  
protections for rate payers

# Anti-competitive Provisions

Utility to directly sell non distribution related products and services by leveraging rate payers, rate payer funded resources, and rate payer financed products.

- Is there PUCO oversight? A utility would have two options:
  1. PUCO approval for 100% rate payer supported products/services/projects – full subsidy.
  2. No PUCO oversight of the amounts or offered products or services.
    - The requirement is to place the incremental amount to be charged and the products/services into a corp. separation plan.
    - The plan is approved by the PUCO except the PUCO cannot reject the plan based on these items or change the items or costs allocated in the plan.
    - Also removes the audit authority of the PUCO for the plan on these specific products.
- Only in their service territory?
  - No. As written there is no restriction to a service territory.

# Products and Services including but not limited to....undefined generic terms:

- (a) Advanced metering and automation ;
- (b) Automation of system functions;
- (c) Battery technology;
- (d) Demand response and other energy management technologies;
- (e) Distribution automation;
- (f) Electric vehicle charging stations and associated equipment or infrastructure;
- (g) Energy monitoring and control devices;
- (h) Lighting controls and other smart controls;
- (i) Microgrids;
- (j) Physical and cybersecurity technologies;
- (k) Volt-VAR optimization and similar technologies;
- (l) Any other technologies so classified by the public utilities commission.
- " Smart grid" also includes capital investment in equipment
- deployed in conjunction with an electric distribution utility's
- distribution infrastructure that facilitates intelligent city
- designs such as traffic sensors, infrastructure monitoring
- equipment, data management systems, and similar technology.
- "Customer-focused energy services or products" means any services or products provided by an electric distribution utility to or for the benefit of its customers including, but not limited to, any of the following:
  - (a) Services related to energy reliability and resiliency;
  - (b) Curtailment and individual customer and aggregated demand response activities;
  - (c) Energy efficiency or reduction;
- (d) Energy storage or battery functions;
- (e) Energy management;
- (f) Energy monitoring and control technologies;
- (g) Lighting controls and other smart controls;
- (h) Warranty and repair services;
- (i) Electric vehicle charging stations;
- (j) Microgrids;
- (k) Community solar energy facilities;
- (l) Energy-related physical security and cybersecurity.
- "Customer-focused energy services or products" also includes the installation, financing, leasing, or management of technology, data, and devices related to such services or products and the installation and management of smart grid technology to facilitate such services.

# Can a utility offer services without this legislation?

- Through a separate affiliate but not directly through the utility without PUCO approval.
- This means they can't mine their own data and information without customer consent to sell products.
- It also means failures of their affiliates are not bailed out through rate payers.

# Next Steps:

- Two hearings held where only utilities were proponents and our group was opponents.
- Ad Hoc coalition
  - Response to various drafts
  - Participate in interested party meetings
- Rewrite is happening
  - Rumor is that a move to legislate removal of Ohio from PJM may be incorporated.
- Pre-pandemic: House this was a 2020 priority. Senate is likely to oppose. Still a viable bill for lame duck.

## Ohio Legislation: Summary House Bill 247

- In House Committee
- Smart grid, grid resiliency we support
- Monopoly subsidized services we oppose
- Utility would be allowed to use its monopoly to provide products including:
  - Storage
  - Renewable
  - Energy Efficiency
  - Energy Management
  - Energy technology
  - Home Energy Management
  - Home Warranty
  - Energy Consulting
- This legislation undermines all competitive companies from consulting, to small HVAC to large industrials by treating services as monopolies.
- Interested party meetings and language proposals were occurring.
- For more information go to: <https://direct-energy-ohio.mmp2.org/learn-more>



**Thank you!**

**For questions:**

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