Date

Chairman Jamie Callender

House Public Utilities Committee

77 South High Street, 11th Floor

Columbus, Ohio 43215:

Chairman Callender:

I am writing to inform you of my company’s opposition to House Bill 247. HB 247 weakens consumer protections meant to protect Ohio’s competitive market for energy, will allow regulated utilities to monopolize parts of Ohio’s energy services markets, and will result in higher rates for consumers.

HB 247 would allow an electric distribution utility (EDU) to provide energy management services (called customer focused energy services or products in the legislation) that are currently being provided by the competitive market. The EDU will be able to offer these services through mandatory rates charged to all customers on their distribution bill providing the utility with a safety net that current competitive providers are not afforded. Through approved distribution rate increases at the PUCO, the utility will effectively subsidize these offerings and monopolize the marketplace. While these services may look cheap by themselves, the true costs will be hidden in customers’ distribution rates. Customers will lose the ability to choose their provider and will realize higher rates.

Due to their position as a monopoly holder for distribution services, EDUs should not be allowed to participate in the competitive market for energy services or products at all. Their natural position in the marketplace (everyone is already a customer) means they have monopoly advantages that cannot benefit competition. Their participation in the marketplace will drive true competition out, reduce innovation, and lead to a stagnation of service offerings and products.

I urge you to protect Ohio’s competitive energy marketplace and vote no on House Bill 247.

Sincerely,