

<b>2007 Restructuring Legislation – Section-by-Section</b>	<b>Ohio Partners for Affordable Energy</b>
4905.01	Language related to fuel cost recovery reinstated. Definitions of “affordable” and “special contract” added.
4905.03	Authorizes PUCO oversight of generation and transmission rates and services.
4905.04	PUCO vested with authority to require “just and reasonable rates which serve the public interest.”  Residential consumer protections extended to general service customers.
4905.07	Special contracts cannot be treated confidentially.  Materials and discussions related to settlement are confidential, with the exception of special contracts appurtenant to the application or stipulation.
4905.09	Section deleted eliminating substantial compliance as the standard for Supreme Court review of PUCO decisions.
4905.10	Interest rate applied to underpayments equals cost-of-capital as determined in last rate case.
4905.14	Establishes reporting requirements for sales and makes modifications to the OSCAR report to comply with NRRI recommendations.
4905.30	Requires that all special contracts be public .

4905.31	Requires that all rates, including special contracts and variable schedules are subject to a public hearing. PUCO must find the rate just and reasonable and in the public interest.
4905.32	Prohibits special arrangements with unregulated holding company subsidiaries that affect rates.  Establishes requirement that rates be affordable for low income customers.
4905.331	Requires that arrearage payment plans for all customers be affordable.
4905.34	Clarifies that nonprofit customers are eligible for free service or reduced rates.
4905.35	Clarifies that special rates for low income customers are not discriminatory.
4905.402	Requires a hearing prior to PUCO ruling on acquisition.  Requires the PUCO make findings as follows: <ul style="list-style-type: none"> <li>• Significant net benefits to ratepayers;</li> <li>• All savings inure to customers;</li> <li>• Rates will include no acquisition premium.</li> </ul> Eliminates automatic approval of application based on time.
4905.46	Requires PUCO approval for certain transactions within the holding company.

4905.48	<p>Requires a hearing to approve inter-utility transactions.</p> <p>Requires the PUCO make findings as follows:</p> <ul style="list-style-type: none"> <li>• Significant net benefits to ratepayers;</li> <li>• All savings inure to customers;</li> <li>• Rates will include no acquisition premium.</li> </ul>
4905.70	<p>PUCO authorized to require electric and natural gas utilities to acquire all cost-effective energy conservation and establishes percentage usage and demand reduction requirements.</p> <p>Prohibits declining block rates except for existing residential and general service heating customers.</p> <p>Requires PUCO investigation of:</p> <ul style="list-style-type: none"> <li>• affordable rates for low income customers;</li> <li>• inverted block rates</li> </ul> <p>Requires collaboratives to develop demand side programs and specifies participants groups.</p> <p>Authorizes a per kWh or per therm charge to fund programs adequate to meet required demand and peak demand reductions.</p> <p>Establishes goals and requirement for efficiency programs.</p> <p>Establishes demand and peak demand reduction levels.</p> <p>Establishes state appliance efficiency standards comparable to other state standards.</p> <p>Establishes renewable energy standard for electric utilities.</p>
4906.10	<p>Clarifies the types of project subject to approval by the Power Siting Board.</p>

4909.01	Additional definitions related to fuel cost recovery.
4909.15	<p>Prohibits carrying charges on CWIP.</p> <p>Requires gross-up for taxes to be set annually based on effective tax rate.</p> <p>Prohibits single issue ratemaking for all but fuel cost adjustment charges.</p> <p>Clarifies and specifies procedure for determining rate of return.</p>
4909.150	<p>Requires annual investigation of utility rates, charges, and earnings.</p> <p>Requires affordable rates for low income customers based on energy burden of median income household.</p> <p>Requires investigation if utility earnings exceed rate of return.</p> <p>Allocations to customer classes must be just and reasonable.</p> <p>Special contract approved if PUCO finds it contributes to economic development objectives and costs are not shifted to other customer classes.</p> <p>PUCO may, on its own motion, investigate unreasonable or discriminatory rates following procedure of 4909.18.</p>
4909.151	Requires a separate hearing to review cost of service study and requires that allocation be just and reasonable and serve the public interest.
4909.152	Specifies intent that demand side services are required for just, reasonable, and compensatory rates.

4909.18	Intervenor funding.
4909.181	Criteria for intervenor funding.
4911.021	PUCO and OCC both run call centers accessible to residential and general service customers.
4928.02	Requires just and reasonably priced electricity. Removes goals associated with competition and choice. Eliminates authority for flexible regulatory treatment. Requires implementation of energy efficiency and renewable resources.
4928.03	Eliminates references to competition and choice.
4928.04	Revokes authority of PUCO to declare services competitive.
4928.05	Requires that all elements of electric service, including generation, are subject to regulation and supervision by the PUCO.
4928.06	Findings by the General Assembly that there is not effective competition. Eliminates remainder of Section.
4928.07	Rates may be offered on a bundles basis.
4928.11	<p>Section applies to gas and electric utilities.</p> <p>Requires minimum standards for all services. Adds interconnection and distributed generation as components of minimum standards.</p> <p>Establishes employment and training standards for line employees as a component of minimum service standards.</p>

4928.12	<p>Forbids participation in Regional Transmission Organizations (RTOs) unless PUCO finds it is in the best interests of customers.</p> <p>PUCO oversight of RTOs authorized. Annual report required.</p>
4928.14	Eliminates market based standard service offer, substituting a standard service offer established in a 4909.18 proceeding.
4928.15	Requires all components of electric service is regulated. Requires that backup electricity can be priced no higher than charged a similarly situated customer that is not self-generating.
4928.17	Authority for all corporate separation plans not implemented is revoked.
4935.04	<p>Adds electric generating plants greater than 50 MW to definition of 'major utility facility'.</p> <p>Requires long-term planning by electric utilities to establish levels of generation and demand reduction required.</p>
4935.05	Establishes Ohio Energy Authority to purchase, build or finance generation and demand side resources..
5739.02	Exempts Energy Star® appliances, HVAC systems and lighting from sales tax.