



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Sean McCullough, Director

MEMORANDUM

TO: Latisha Chastang, Ohio Department of Development

FROM: Jacob Ritzenthaler, Business Advocate

DATE: September 9, 2022

RE: **CSI Review – Percentage of Income Payment Plan Program: Criteria for Customer Eligibility (OAC 122:5-3-02)**

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Department as provided for in ORC 107.54.

Analysis

This rule package consists of one amended rule proposed by the Ohio Department of Development (Department). This rule package was submitted to the CSI Office on August 26, 2022, and the public comment period was held open through September 2, 2022. Unless otherwise noted below, this recommendation reflects the version of the proposed rule filed with the CSI Office on August 26, 2022.

Ohio Administrative Code 122:5-3-02 establishes customer eligibility criteria for the Percentage of Income Payment Plan (PIPP) Program, which provides the ability to pay for natural gas and electrical bills based on a portion of household income. The rule requires program participants to meet household income requirements and to participate in payment plan, energy assistance, and energy efficiency and weatherization programs. The rule also includes requirements for eligibility following and account default or disconnection, as well as for removal from the PIPP Program for fraudulent enrollment or modification of benefits for non-compliance. The rule is amended to continue changes made through Executive Order 2022-12D to increase household income criteria from 150% to 175% of the federal poverty guideline for the corresponding household size.

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During early stakeholder outreach, the Department reviewed the rule during meetings with the Public Utilities Commission of Ohio to ensure that PIPP Program requirements between electrical and natural gas utilities were properly aligned. The Department also notified energy assistance providers and utility companies. During the CSI public comment period, the Department received two comments. One comment, submitted through the Ohio Consumers' Counsel by a group of industry stakeholders, supported increasing the household income eligibility criteria to 175% and made other suggestions concerning electricity auction rates. The Department did not make additional changes based on this comment, as the suggested actions concern other rules and regulations under the purview of the Public Utilities Commission of Ohio. One comment was received in support of the proposed amendment from the Ohio Association of Community Action Agencies.

The business community impacted by the rule includes utility companies. The adverse impact created by the rule is primarily the cost of time spent programming software to account for increased income criteria for entry into the program. The Department states that the adverse impact of the rule is necessary to ensure that Ohioans have access to energy assistance programs.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that the Department should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.