



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Joseph Baker, Director

MEMORANDUM

TO: Jeffrey Jones, Public Utilities Commission of Ohio

FROM: Michael Bender, Business Advocate

DATE: December 29, 2022

RE: **CSI Review – Long-Term Forecast Reports Generally (OAC 4901:5-1-01, 4901:5-1-02, 4901:5-1-03, and 4901:5-1-04)**

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 Commission as provided for in ORC 107.54.

Analysis

This rule package consists of one new rule, two amended rules, one no-change rule, and one rescinded rule proposed by the Public Utilities Commission of Ohio (PUCO) as part of the statutory five-year review process. This rule package was submitted to the CSI Office on December 1, 2022, and the public comment period was held open through December 12, 2022. Unless otherwise noted below, this recommendation reflects the version of the proposed rules filed with the CSI Office on December 1, 2022.

Ohio Administrative Code (OAC) 4901:5-1 requires any person who owns or operates a major utility within the state of Ohio or who furnishes gas, natural gas, or electricity directly to more than fifteen thousand customers within the state to file long-term forecast reports with the PUCO. OAC 4901:5-1-02 and 4901:5-1-04 are amended to update and clarify citations regarding rule applicability and compliance. OAC 4901:5-1-03 is rescinded and replaced by a new rule with the same number in order to streamline the filing process for applicable stakeholders, namely requiring entities to file reports electronically and to make them available on their websites and upon request as opposed to requiring the filing of hard copies or the mailing of the reports to certain institutions. No revisions

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are proposed for OAC 4901:5-1-01.

During early stakeholder outreach, the PUCO conducted a workshop on August 24, 2021, to receive feedback from interested stakeholders and the general public concerning OAC 4901:5-1. The PUCO also served an Entry for Case No. 21-779-GE-ORD upon all investor-owned electric utilities and gas and natural gas companies in the state of Ohio, all certified retail electric service providers and certified retail natural gas service suppliers in the state of Ohio, the Ohio Consumers' Counsel, and the electric-energy and gas-pipeline industry listservs. No substantive comments were offered by stakeholders at the workshop. The PUCO also requested that comments from stakeholders regarding the proposed revisions to OAC 4901:5-1 be filed from September 7, 2022, through October 7, 2022. The Ohio Manufacturers' Association Energy Group filed comments during this time period asking the PUCO to reject the proposed revisions regarding reported forecasting data or to specify that the revisions will not result in lost data. The PUCO replied that OAC 4901:5-1-02 requires the report to comply with ORC 4935.04, therefore ensuring that reports should still have all required information.

The business community impacted by the rules includes electric utilities and transmission owners as well as natural gas distribution companies that serve Ohio. The adverse impact created by the rules includes the requirement to file the long-term forecast report. According to the PUCO, the revisions to the rules were drafted in a way to minimize this impact. The PUCO notes that the forecast reporting process will be streamlined and more efficient for reporting entities. The PUCO states that the adverse impact to business is justified to fulfill ORC requirements, protect public health and safety, preserve environmental quality, maintain a sound economy, and conserve energy and material resources.

Recommendations

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

Conclusion

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