



Office of the Ohio Consumers' Counsel

December 1, 2021

Ms. Tanowa Troupe, Secretary
Public Utilities Commission of Ohio
180 East Broad Street, 11th Floor
Columbus, Ohio 43215

Re: *In the Matter of the Application of the Ohio Department of Development for an Order Approving Adjustments to the Universal Service Fund Riders of Jurisdictional Ohio Electric Distribution Utilities*, Case No. 21-659-EL-USF

Dear Ms. Troupe:

Attorney Examiner See has requested that non-signatory parties to the Joint Stipulation and Recommendation (filed on November 24, 2021) file a statement in the docket on or before December 2, 2021.

This proceeding sets the rates that Ohio's electric distribution utilities use to collect funds from consumers to support the Percentage of Income Payment Plan (PIPP) program and the Electric Partnership Program. The Universal Service Fund (USF) rider rate collects the PIPP program costs. When the PIPP program costs are higher, the USF rider rate that all consumers pay is higher. The Settlement sets forth how much money will be collected from consumers and the rate design addressing how that money will be collected.

As represented at the hearing on this matter on November 29, 2021, OCC neither supports nor opposes the Settlement filed in this case. OCC did not sign the Settlement for two reasons.

The first reason relates to the proposed rate design. As stated in the past, OCC does not agree to establishing a second block in the rate design because it can shift costs potentially violating R.C. 4928.52(C).

The second reason is that a review of PIPP auctions has revealed instances where PIPP auction rates have been higher than the standard service offer (SSO) rates. This resulted in higher generation costs for PIPP customers which caused higher costs for the PIPP program that are collected from all customers. The PIPP auction rate should be rejected if it is not lower than the SSO rate. Ohio law (R.C. 4928.542(B)) requires that the winning competitive bid selected through the PIPP auction process reduce the cost of the PIPP program relative to the otherwise applicable standard service offer. The current auction process does not always provide this reduction to the PIPP program costs. This is an unacceptable outcome for all customers.

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Please note that while OCC is not contesting this Settlement, OCC does not waive its right to contest any rate design or PIPP auction issue in future cases regarding the Universal Service Fund Rider.

Sincerely,

/s/ Amy Botschner O'Brien

Amy Botschner O'Brien (0074423)
Assistant Consumers' Counsel

Copy to: Parties of Record

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Summary: Correspondence Statement Regarding the Stipulation Filed by Office of the Ohio Consumers' Counsel electronically filed by Ms. Deb J. Bingham on behalf of Botschner-O'Brien, Amy