



Ohio Environmental Council

To: Public Utilities Commission of Ohio
From: The Ohio Environmental Council
Re: Case Nos. 21-637-GA-AIR; 21-638-GA-ALT; 21-639-GA-UNC; 21-640-GA-AAM
Date: January 5, 2023

Dear Commissioners,

The Ohio Environmental Council urges you to deny the proposed stipulation because it does not benefit consumers, and raises emissions. The astronomically high fixed charge puts a huge burden on Ohio consumers. While raising fixed prices, this stipulation leaves customers with fewer options for reducing their bill by cutting energy efficiency, or Demand Side Management (DSM) programs. Finally, the stipulation enshrines this bare bones approach to energy efficiency by preventing Columbia Gas from pursuing energy efficiency programs, or even supporting energy efficiency policy, in the immediate future. These provisions prevent this stipulation, as a whole, from benefiting consumers. This commission must deny this stipulation and send the parties back to the drawing board.

1. The proposed fixed charge is too high to benefit consumers.

In the past few years, coinciding with the COVID 19 pandemic and unprecedented hardship on many families across the state, natural gas prices have continued to skyrocket¹. The Franklin County Energy Study conducted by the Mid Ohio Regional Planning Commission (MORPC) shows that the energy burden – which describes the percentage of a household's annual income spent on energy bills – is as high as 10.7% in Franklin County.² The proposed settlement in this case would create a stark increase in fixed charges over a five year period, which disproportionately impacts marginalized residential ratepayers across the state trying to make ends meet. The proposed hike in fixed rates from \$37 to as much as \$58 a month further harms poor and low to moderate income families, communities of color, people with disabilities, and other groups that are historically under-resourced, ignored, and bear the brunt of injustices in our energy system.

¹ [News Bureau: Natural gas prices on the rise](#) – Public Utilities Commission of Ohio (2022).

² [Franklin County Energy Study](#) – Mid Ohio Regional Planning Commission (2018).

At the same time, increasing fixed charges eliminates incentives for high-income households to reduce consumption. Increasing the fixed charge reduces the value of each kilowatt-hour. The reduction in value of saving kilowatt-hours in turn makes each kilo-watt hour seem cheaper, particularly for high income earners with more disposable income. The drop in kilo-watt hour value extends the time before a customer can recoup any return on investments in energy efficiency.³ These disincentives are particularly damaging because high-income earners already create the most emissions on average.⁴ For example in Columbus, the high-income suburbs create drastically more emissions in the low-income Black and Brown communities in the center of Columbus.⁵

Thus, a high fixed charge puts a huge burden on low-income households while removing any incentive for high income households to reduce their, already much higher, energy consumption. It contorts the market to the disadvantage to the environment and those least able to shoulder the burden. These perverse incentives are, as whole, very bad for customers.

2. While raising fixed rates, this proposal eliminates a robust energy efficiency program that would save money and emissions.

A utility without a robust energy efficiency program is irresponsible. Energy efficiency programs provide savings to the utility, savings to customers, and gas infrastructure stability.⁶ As acknowledged in testimony provided by Sarah Poe, Energy Efficiency Manager for Columbia Gas, DSM programs provide:⁷

- Cost-effective, customer-oriented energy efficiency services for Columbia's residential and commercial customers
- Improved customer health, safety, comfort, and productivity
- Customer savings by lower utility bills

By Columbia Gas' own estimations, previous DSM programs resulted in over 6,700,000 avoided tons of carbon dioxide emissions. The original projected plans for 2023-2027 were estimated to result in over 3,400,000 avoided tons of carbon dioxide emissions.

The remaining low-income energy efficiency program is too narrow to constitute an overall benefit to consumers. The low-income thresholds in the proposed program still leave out many moderate income consumers facing higher energy burdens. While some of these energy efficiency programs for low-income consumers will remain intact, and maintain good intentions,

³ [Microsoft Word - Caught in a Fix \(20160208\).docx \(consumerreports.org\)](#).

⁴ Mapping information available here: [The Climate Impact of Your Neighborhood, Mapped - The New York Times \(nytimes.com\)](#).

⁵ *Id.*

⁶ [Energy Efficiency Impact Report](#) – American Council for an Energy Efficient Economy, Alliance to Save Energy, and the Business Council for Sustainable Energy (2022).

⁷ <https://dis.puc.state.oh.us/ViewImage.aspx?CMID=A1001001A21G14B12403I00075>

in reality the customers living right above these thresholds still face a significant energy burden that makes everyday living more challenging.

Columbia Gas has already admitted that its energy efficiency programs help customers control their rising bills, but it has agreed to drastically scale them back to get a settlement in this case. This drastic cut to such a beneficial program prevents the current settlement from benefiting consumers. Thus, this Commission must reject the proposed stipulation.

Sincerely,
/s/ Dion Mensah
Dion Mensah
Energy Justice Fellow
The Ohio Environmental Council
1145 Chesapeake Ave., Suite I
Columbus, Ohio 43202
Phone: 614-900-1087
dmensah@theoec.org

**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

1/5/2023 3:36:21 PM

in

Case No(s). 21-0637-GA-AIR, 21-0639-GA-UNC, 21-0638-GA-ALT, 21-0640-GA-AAM

Summary: Public Comment Public Comment Regarding Proposed Stipulation filed by Karin Nordstrom on behalf of Dion Mensah and the Ohio Environmental Council electronically filed by Ms. Karin Nordstrom on behalf of Mensah, Dion and Ohio Environmental Council