



Mary S. Connor

Bill Analysis
Legislative Service Commission

H.B. 5
123rd General Assembly
(As Introduced)

Reps. Mead, Amstutz, Opfer, Thomas

BILL SUMMARY

- Declares a public policy of the State to effect the restructuring of the electric industry pursuant to specified goals permitting effective competition in the provision of retail electric service to all Ohio consumers.

CONTENT AND OPERATION

The bill declares a public policy of the State to effect the restructuring of the electric industry pursuant to specified goals permitting effective competition in the provision of retail electric service to all Ohio consumers (sec. 4928.01).

Under the bill, the General Assembly finds that competitive markets are superior to regulated markets for dispensing goods and services, fostering competitive innovation, and promoting economic development, and concludes that it is state public policy to effect the restructuring of its electric industry.

The restructuring is to be accomplished by establishing a market structure and regulatory framework, as determined by the General Assembly, that permits effective competition in the provision of retail electric service to all Ohio consumers beginning on such date as is specified by the General Assembly. The bill requires that the market structure and regulatory framework achieve all of the following goals:

- (1) The broadest possible array of customer choice regarding those aspects of retail electric service for which competitive offering is appropriate;
- (2) Equitable distribution among all electric consumers of the benefits of effective competition, and mechanisms to ensure that low-use consumers are not disadvantaged by a lack of bargaining power;
- (3) Comparable and nondiscriminatory access to all services by electric consumers and suppliers;

(4) A shift from traditional regulation to safeguarding against potential market power abuses, and from protection of captive electric consumers to the promotion of effective competitive choice for all consumers;

(5) Assurance of universal service and the reliability of electric service, and the preservation or improvement of the quality and safety of electric service;

(6) Full maintenance of the five, current low-income assistance programs for electric consumers during and after the transition to a competitive electric market, and coordination and consolidation of the programs to improve delivery to consumers;

(7) Fulfillment of Ohio's responsibilities to achieve appropriate energy conservation and environmental protection;

(8) A transition that provides for the protection of consumers and assurance of the reliability of the delivery of electric services;

(9) Allowance of transition costs that are reasonable and fair for all stakeholders and that are established on a rational basis;

(10) An ample transition to a new state tax structure that protects school and local funding needs and that is revenue neutral, with no overall net tax increase to energy consumers or tax windfall to those currently receiving revenues.

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	01-20-99	p. 85

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