

- FY 2004 and FY 2005 appropriations maintained at FY 2003 level
- No GRF funding

Consumers' Counsel, Office of

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ROLE

The Office of Consumers' Counsel (OCC), established in 1976, is the statutory advocate for residential utility customers. Consumers' Counsel has the statutory responsibility to represent the interests of 4.5 million residential customers of Ohio's investor-owned electric, natural gas, telecommunications, and water companies. Consumers' Counsel resolves complaints individual customers may have with utilities, either through informal dispute resolution or through litigation, and educates consumers on utility issues.

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2004	2005	2004	2005	
78	\$9.3 million	\$9.3 million	\$0	\$0	Am. Sub. H.B. 95

*Employee head count obtained from the Department of Administrative Services (DAS) payroll reports as of June 28, 2003.

OVERVIEW

All operations and programs of the OCC are funded through a single appropriation line item. The FY 2004 appropriation to that line item is 25.7% greater than actual spending in FY 2003. The FY 2005 appropriation is equal to the FY 2004 appropriation.

Funding for the agency is derived solely from an assessment on utilities operating in Ohio. The amount appropriated in the main operating budget is apportioned between those utilities based on their intrastate gross revenues. As indicated in the table, the OCC receives no funding from the General Revenue Fund.

BUDGET ISSUES

The General Assembly increased the appropriation recommended by the Governor. The Governor recommended appropriations of \$8,401,478 in FY 2004 and \$8,394,316 in FY 2005. The Governor's proposed appropriation for FY 2004 was 9.4% less than the FY 2003 appropriation. The Office of Consumers' Counsel typically spends less than its entire appropriation, and in FY 2003 it spent nearly \$1.9 million (20.4%) less than its appropriation. The savings were realized by a combination of not filling staffing vacancies, reducing purchased media used to educate consumers, and delaying purchases of replacement computer hardware and software until FY 2004. When the agency spends less than its appropriation, the difference is refunded to utilities.

Restructuring of utility regulation, often referred to as deregulation, has increased demand for OCC services. For example agency officials report that call volume to OCC's Consumer Response Center has increased by 18% each year since 2000. Office of Consumers' Counsel officials expect further increases in demand for their services as we approach the end of calendar year 2005, when the market development period will end for several of the state's electric utilities. Under existing law the rates those utilities charge will no longer be regulated when their market development periods end.

Consumers' Counsel officials expect that the agency's appropriation authority will be sufficient to meet the increased demand for services at least through FY 2004. The agency plans to hire staff to increase the number of employees to the approved staffing level of 81.5 full-time equivalent workers, and to replace computer hardware and software that was originally scheduled to be replaced during FY 2003. It will continue to develop the OCC consumer contact database, implementing needed improvements. Finally, OCC officials are considering implementing issue-specific representation, education, and customer support activities if such a change is determined to improve efficiency in performing the agency's duties. 

FY 2004 - 2005 Final Appropriation Amounts

All Fund Group

Line Item Detail by Agency	FY 2001:	FY 2002:	FY 2003:	FY 2004 Appropriations:	% Change 2003 to 2004:	FY 2005 Appropriations:	% Change 2004 to 2005:
Report For: Main Operating Appropriations Bill		Version: Enacted					
OCC Consumers' Counsel, Office of							
5F5 053-601 Operating Expenses	\$ 7,237,747	\$ 8,015,215	\$7,381,914	\$ 9,277,519	25.68%	\$ 9,277,519	0.00%
General Services Fund Group Total	\$ 7,237,747	\$ 8,015,215	\$ 7,381,914	\$ 9,277,519	25.68%	\$ 9,277,519	0.00%
Consumers' Counsel, Office of Total	\$ 7,237,747	\$ 8,015,215	\$ 7,381,914	\$ 9,277,519	25.68%	\$ 9,277,519	0.00%