



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [H.B. 545 of the 130th G.A.](#)

Date: December 1, 2014

Status: As Introduced

Sponsor: Rep. Gonzales

Local Impact Statement Procedure Required: No

Contents: Regarding master metering and submetering for public utility service to premises administered by a landlord, condominium unit owners association, or manufactured home park operator

State Fiscal Highlights

- The provisions related to submeter and master meter standards and termination of public utility service may increase the Public Utilities Commission's administrative costs. Any increase in such costs would likely be paid from the Public Utilities Fund, Fund 5F60. Any increase would likely be minimal.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill requires all premises served by a public utility and administered by a manufactured home park operator, condominium unit owners association, or landlord to measure public utility service¹ provided to the premises through a public utility owned meter or through a public utility owned master meter in conjunction with a submeter. The requirement applies to premises constructed on and after the effective date of the bill.² All submeters and master meters under this bill must meet the standards for meters already established by the Public Utilities Commission of Ohio (PUCO) under section 4905.28 of the Revised Code.

The bill provides limitations on charges for public utility service through the use of a submeter: (1) for electric service provided on a kilowatt hour basis, the standard service offer amount per kilowatt hour, including all riders, customer fees, and other utility assessments, that residential customers are charged on an annualized basis by the electric distribution utility serving the area, and (2) for natural gas service provided on a cubic feet basis, the amount per hundred cubic feet, including all riders, customer fees, and other utility assessments, that residential customers are charged on an annualized basis by the natural gas company serving the area. The bill also specifies that a park operator, unit owners association, or landlord operating a system that uses distributed generation, renewable energy resources, or alternative generation may provide electric service to a resident, in a lease, rental agreement, or association agreement and for the term of such lease or agreement, at a fixed price per kilowatt hour for electricity provided, instead of measuring public utility service. However, the bill specifies that such lease or agreement must clearly state the fixed price that will be charged for the public utility service and charge no more per kilowatt hour of electricity than the fixed price for the electric service.

The bill also specifies a number of other requirements of park operators, unit owners associations, and landlords who provide utility services through a submeter. The requirements include, for example, information that must be included in a lease or agreement, recordkeeping and retention requirements, procedures regarding termination of utility services for nonpayment, and procedures to follow in allocating costs of utility services provided in common areas. Please refer to the LSC bill analysis for a detailed description of other provisions.

¹ Under the bill, "public utility service" includes service provided by an electric light company, gas company, and natural gas company, but excludes a municipal corporation and cooperative.

² The bill specifies that for premises constructed before its effective date, a park operator, unit owners association, or landlord may measure, at their election, public utility service provided to the premises of a resident through a public utility owned master meter in conjunction with a submeter.

Fiscal effect

The bill may increase PUCO's administrative costs to ensure that all submeters and master meters meet the standards for meters established by PUCO. In addition, the requirement that the termination of public utility service by a park operator, condominium association, or landlord must be done in accordance with all rules for terminating public utility service for nonpayment established by PUCO may increase PUCO's administrative costs. However, it is likely that any increase would be minimal. Any increase in such costs would likely be paid from the Public Utilities Fund, Fund 5F60. The bill would have no direct fiscal effect on political subdivisions.

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