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## **LOW-INCOME UTILITY ASSISTANCE AND BLOCK GRANTS**

### **Federal block grant funds**

- Transfers powers and duties to administer Community Services Block Grant funds from the Department of Development (DEV) to the Department of Job and Family Services (JFS) while leaving the powers and duties unchanged.
- Repeals current law that requires the General Assembly hold public hearings regarding the Community Services Block Grant funds according to federal law requirements.
- Transfers, from DEV to JFS, the requirement to submit a waiver to the federal government for use of federal low-income home energy assistance programs (HEAP) funds from the home energy assistance block grants for weatherization purposes.

### **Energy efficiency and weatherization program administration**

- Transfers from the DEV Director to the JFS Director the administration of the energy efficiency and weatherization program and the consumer education program.

### **Electric Partnership Plan Fund**

- Replaces the Universal Service Fund with the Electric Partnership Plan (EPP) Fund to provide funding for the low-income customer assistance and consumer education programs.
- Requires the EPP fund to consist of revenues from the existing law universal service rider remitted to the DEV Director after collection by an EDU.

### **Public Benefits Advisory Board**

- Adds the JFS Director to the Public Benefits Advisory Board (replacing the DEV Director) and requires the Board to advise the JFS Director.
- Limits the Board's duties to advising the JFS Director regarding the low-income customer assistance programs.
- Repeals the Board duty to give advice regarding the Universal Service Fund and Rider and the Advanced Energy Program and Advanced Energy Fund and repeals its advisory powers and duties regarding economic development and stability, energy, and pollution matters in Ohio under the program.
- Eliminates reimbursements to Board members for expenses incurred for the Advanced Energy Program.

### **Expired revenue sources for Advanced Energy Fund**

- Repeals the following regarding Advanced Energy Fund revenue:
  - The expired temporary Advanced Energy Rider collected by EDUs and their remittance to the Advanced Energy Fund;

- The ten-year limitation on remittance requirements for the temporary Advanced Energy Rider;
- The expired quarterly remittance and timing requirements for revenues from (1) payments, repayments, and collections under the Advanced Energy Program and from program income and (2) collections by an Ohio municipal electric utility or electric cooperative participating in the Advanced Energy Fund.
- Repeals the requirements regarding the use of money collected in rates, as of October 5, 1999, for non-low-income customer energy efficiency programs.

## **Repeal of obsolete reports**

- Repeals requirements for reports with due dates that have passed.

## **Federal block grant funds**

(R.C. 122.66(5101.311), 122.67(5101.312), 122.68(5101.313), 122.681(5101.314), 122.69(5101.315), 122.70(5101.316), 122.701(5101.317) (renumbered and amended), and 4928.75; R.C. 121.22, 122.1710, 307.985, 2915.01, 3701.033, and 5101.101 (conforming changes); R.C. 122.702, repealed)

### **Community Services Block Grant**

The bill transfers, from DEV to JFS, the powers and duties to administer Community Services Block Grant funds and programs. The bill leaves unchanged those transferred powers and duties, including administering all federal funds apportioned to the state via the “Community Services Block Grant Act,” designating “community action agencies” to receive funds, and various other duties.

The bill also repeals the current law requirement that the General Assembly conduct public hearings regarding the grant funds, as required in federal law. Under current law these General Assembly hearings must be held each year on “the proposed use and distribution” of the grant funds as required under federal law. The effect of the repeal is unclear as the requirements for public hearings is a federal law requirement for state participation in the Block Grant program.

### **Weatherization services**

The bill transfers, from DEV to JFS, the requirement to submit a completed waiver request every fiscal year, in accordance with federal law, for the state to expend 25% of federal low-income home energy assistance program funds from the home energy assistance block grants for weatherization services allowed under federal law.

## **Energy efficiency and weatherization program administration**

(R.C. 4928.55, and 4928.56; R.C. 4928.34 and 4928.43 (conforming change); Section 525.20)

The bill transfers the administration of the existing energy efficiency and weatherization program and the low-income customer assistance consumer education program from the DEV Director to the JFS Director. Under continuing law, the energy efficiency and weatherization is

targeted, to the extent practicable, to high-cost, high-volume use structures occupied by customers eligible for the percentage of income payment plan program (PIPP), with the goal of reducing the energy bills of the occupants. The consumer education program may be established by rule to provide information regarding energy efficiency and energy conservation to consumers eligible to participate in the low-income customer assistance programs.

Before July 1, 2027, the bill requires DEV to transfer the entirety of its responsibility of managing the energy efficiency and weatherization program and the consumer education program to JFS. Other provisions in the bill concerning the transfer of the energy efficiency and weatherization program include, for example: (1) requiring the transfer of any business not completed by DEV by July 1, 2027, to be transferred and completed by JFS, (2) requiring, by July 1, 2026, the DEV Director and JFS Director to develop a detailed organizational plan to implement the transfer, (3) permitting the DEV Director and JFS Director to separately or jointly enter into staff training and development contracts to facilitate the transfer, (4) transferring identified DEV employees and resources to JFS, (5) directing all rules related to the programs to continue until modified or rescinded by JFS, and (6) requiring the OBM Director to make budget and accounting changes to implement the transfer.

Under ongoing law, “low-income customer assistance programs” are the PIPP, the home energy assistance program (HEAP), the home weatherization assistance program (HWAP), and the targeted energy efficiency and weatherization program. Since only the energy efficiency and weatherization program is transferred to JFS by the bill, the remaining low-income customer assistance programs (PIPP, HEAP, and HWAP) will continue to be administered by the DEV Director, with assistance from PUCO.<sup>207</sup>

## **Electric Partnership Plan Fund**

(R.C. 4928.51; R.C. 4928.66 and 5117.07 (conforming changes))

The bill establishes in the state treasury the Electronic Partnership Plan (EPP) Fund as the depository and funding source for paying for the low-income customer assistance programs and the consumer education program. Revenues remitted to the DEV Director after being collected by an EDU pursuant to the existing law universal service rider must be deposited in the EPP Fund. The EPP Fund replaces the Universal Service Fund which the bill repeals.

## **Public Benefits Advisory Board**

(R.C. 4928.58 and 4928.63)

The bill replaces the DEV Director as a member of the Public Benefits Advisory Board with the JFS Director and requires the Board to advise the JFS Director. Under ongoing law, the purpose of the 21-member Board is to ensure that energy services are provided to Ohio’s low-income consumers in an affordable manner consistent with the state retail electric service

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<sup>207</sup> R.C. 4928.01(A)(16) and 4928.53, not in the bill.

policies, including among others, the policy to ensure the availability to consumers of adequate, reliable, safe, efficient, nondiscriminatory, and reasonably priced retail electric service.<sup>208</sup>

Under the bill, the Board must advise the JFS Director instead of the DEV Director regarding the low-income customer assistance programs. It repeals the Board's duty to give the DEV Director advice regarding the Universal Service Fund and the appropriate level of the Universal Service Rider, both of which are repealed by the bill. However, the only low-income customer assistance program that the bill requires be administered by the JFS Director is the energy efficiency and weatherization program. An amendment may be necessary to also require the board to advise the DEV Director in the administration of the low-income customer assistance programs, since PIPP, HEAP, and HWAP continue to be administered by DEV.

Repealed by the bill are the Board's advisory powers and duties regarding the Advanced Energy Fund and the Advanced Energy Program. Under ongoing law, the DEV Director retains the power and duty to assist with economic development and stability, energy, and pollution matters in Ohio under the program. The bill also eliminates reimbursements to Board members for expenses incurred for the Advanced Energy Program.

## **Expired revenue sources for Advanced Energy Fund**

(R.C. 4928.61; R.C. 4928.34 and 4928.62 (conforming changes))

The bill repeals the following regarding Advanced Energy Fund revenue:

- The expired temporary Advanced Energy Rider collected by EDUs and their remittance to the Advanced Energy Fund;
- The ten-year limitation on remittance requirements for the temporary Advanced Energy Rider;
- The expired quarterly remittance and timing requirements for revenues from (1) payments, repayments, and collections under the Advanced Energy Program and from Program income and (2) collections by an Ohio municipal electric utility or electric cooperative participating in the Advanced Energy Fund.
- The requirements regarding the use of money collected in rates, as of October 5, 1999, for non-low-income customer energy efficiency programs.

## **Repeal of obsolete reports and requirements**

(R.C. 4928.06, 4928.57, 4928.581, 4928.582, and 4928.583)

The bill repeals requirements for reports (described below) with due dates that have passed.

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<sup>208</sup> R.C. 4928.02.

## **Report on effectiveness of competition in electric supply**

The bill repeals the biennial reports regarding the effectiveness of competition in the supply or competitive retail electric service in Ohio that the PUCO and the Office of the Consumers' Counsel (OCC) were required to provide to the standing committees of the General Assembly with primary jurisdiction regarding public utility legislation until 2008.

Under a related but obsolete law, the standing committees of the General Assembly with primary jurisdiction regarding public utility legislation were required to meet at least biennially to consider the effect of electric service restructuring on Ohio and to receive reports from the PUCO, OCC, and the DEV Director until the end of all market development periods under the competitive retail electric service law. The market development periods have ended, and the bill repeals this provision.

## **Low-income customer assistance/advanced energy program report**

The DEV Director was required to provide a report on the effectiveness of the low-income customer assistance programs and the consumer education program and the advanced energy program every two years until 2008 to the standing committees of the General Assembly that deal with public utility matters. The bill repeals this reporting requirement.

## **Report on revenue for low-income customer assistance programs**

Repealed under the bill are the Public Benefits Advisory Board annual report that included, for each EDU, the annual amount of revenue collected from customers for the purpose of supporting the Universal Service Fund and the low-income customer assistance programs, as well as forecast of those amounts that were to be collected in 2016, 2017, and 2018, and the requirement that the Board, from 2015 to 2018, submit the report to the Governor, Senate President, Speaker of the House, and others.

Regarding these Board reports, the bill also repeals the authority for the Board to obtain professional services as the board determines appropriate and the requirement that the DEV Director, PUCO, and each EDU promptly respond to requests by the Board for information needed to prepare the report.