## Are you paying more for electricity? Ohio bill takes on submetering in <u>apartments</u>

By Anna Staver cleveland.com

COLUMBUS, Ohio -- Tenants at some Ohio apartment complexes and mobile home parks face steep late fees, inflated power bills, and the threat of shutoffs without the due process protections guaranteed to most utility customers.

New legislation introduced Tuesday aims to change that.

The bipartisan bill seeks to regulate a practice known as submetering, where a thirdparty company buys electricity in bulk from utilities like AEP or FirstEnergy and then resells it to renters.

"At my core, I'm a free-market conservative, but what I do not believe in is businesses selling the same product to customers while playing by a completely different set of rules," said state Rep. Tex Fischer, a Mahoning County Republican and one of the bill's sponsors.

Unlike traditional utility customers, those on submetered systems can't shop for competitive rates, use Ohio's financial assistance programs, or take advantage of time-of-day pricing.

"If these companies are going to sell electricity directly to consumers, they should be doing it under the same set of rules everybody else has to play with," Fischer said.

He and state Rep. Sean Brennan, a Parma Democrat, want to change Ohio law to define submetering companies as public utilities. Their bill, which doesn't have a number yet, would regulate them like utilities and give oversight to the Public Utilities Commission of Ohio.

"We're not trying eliminate sub-metering," Brennan said. "We're not trying to put anybody out of business." Nationwide Energy Partners is one of Ohio's largest submetering companies, supplying electricity to tenants through agreements with landlords rather than direct utility connections.

NEP <u>has previously said</u> it doesn't charge customers more than local utilities. But AEP argues that submetering companies engage in "rate arbitrage" -- buying power at discounted commercial rates and reselling it at higher prices. On top of that, tenants are billed for things like hallway or stairwell lighting with no clear standards for how those shared costs are calculated.

Lawmakers, utilities and the Ohio Consumers Counsel have long tried to regulate submetering with little success.

In 2024, Ohio's Supreme Court <u>rejected a petition</u> from the power companies to force submetering companies to be regulated by the PUCO.

"We fought it at the PUCO. We fought it at the courts. Now, we're at the legislature," <u>Ohio Consumers' Counsel Agency Director</u> Maureen Willis said.

And she's hopeful this bill will succeed because it's bipartisan.

"I don't think we've ever had a bipartisan bill before," Willis said.

In March, state Rep. David Thomas from Ashtabula and state Sen. Andrew Brenner from Delaware, both Republicans, each introduced their own bills to tackle the regulation of submetering companies.

Their legislation would require submetering companies to not charge more than the public utility.