

Redlined to Utility amendments:

The purpose of this amendment is to assure that any increase in rates experienced by customers arising from an increase in generation rates will not exceed XX %.

Insert before line 1591 the following:

“(D) At the request of the electric distribution utility or upon its own initiative, the commission may order that the retail rates resulting from either division (B) or (C) of this section be phased-in over a period not to exceed three years, **provided however that the Commission shall require a phase-in so that the increase resulting from any generation rate increase shall not cause a greater than XX percent annual increase in overall average rates.** If the commission orders rates to be phased-in, then, notwithstanding section 4928.02 (G) of the Revised Code, it shall prescribe the creation of regulatory assets pursuant to accounting principles generally accepted in the United States (GAAP), by authorizing deferral of incurred costs equal to the amount not collected, plus carrying charges thereon, and shall approve a non-bypassable distribution charge for all customers whereby the electric distribution utility is made whole by being allowed to recover the above-defined regulatory assets resulting from the phase-in, including carrying charges, over a period that complies with GAAP but not to exceed ten years. An electric distribution utility, at its sole option, may securitize the phase-in regulatory assets inclusive of carrying charges thereon and the other related costs including cost arising from such securitization. The commission shall adopt such rules and enter such orders as are necessary to facilitate such securitization to the maximum extent possible and enter such orders as are necessary to preserve the revenue stream supporting it.”

Alternative language:

, provided however that the Commission shall require a phase-in if the increase resulting from any generation rate increase would cause a greater than XX percent annual increase in overall average rates.

Redlined to Utility amendments:

The purpose of this amendment is to assure that any increase in generation rates experienced by customers due to the initial implementation of this section will not result in currently existing total charges increasing by more than 20 percent. The 20 percent increase over currently existing total charges is reasonable, particularly in light of greater percentage increases experienced in states with regulated generation rates.

Insert before line 1591 the following:

“(D) At the request of the electric distribution utility or upon its own initiative, the commission may order that the retail rates resulting from either division (B) or (C) of this section be phased-in over a period not to exceed three years. **Regarding an electric distribution utility’s first commission-approved retail rates resulting from either division (B) or (C) of this section, as amended by SB 221 of the 127th general assembly, the commission shall require, if necessary, a phase-in so that the generation rate increase shall not cause a greater than 20 percent annual increase in the overall average charges in effect immediately prior to the commission’s order in such proceeding.** If the commission orders rates to be phased-in, then, notwithstanding section 4928.02 (G) of the Revised Code, it shall prescribe the creation of regulatory assets pursuant to accounting principles generally accepted in the United States (GAAP), by authorizing deferral of incurred costs equal to the amount not collected, plus carrying charges thereon, and shall approve a non-bypassable distribution charge for all customers whereby the electric distribution utility is made whole by being allowed to recover the above-defined regulatory assets resulting from the phase-in, including carrying charges, over a period that complies with GAPP but not to exceed ten years. An electric distribution utility, at its sole option, may securitize the phase-in regulatory assets inclusive of carrying charges thereon and the other related costs including cost arising from such securitization. The commission shall adopt such rules and enter such orders as are necessary to facilitate such securitization to the maximum extent possible and enter such orders as are necessary to preserve the revenue stream supporting it.”