



M E M O R A N D U M

Date: October 26, 2017
 To: The Ohio Manufacturers' Association
 From: Jordan Nader & John Seryak, PE (RunnerStone, LLC)
 RE: HB 381 to Lake County, OH Ratepayers - A Cost of at Least \$94 million

The Ohio House of Representatives has referred to the Public Utilities committee House Bill 381 “Address zero-emissions nuclear resource program.” This bill is sponsored by Representative DeVitis and Co-Sponsored by Representatives Young (Lake County), Henne, Householder, Johnson, Seitz, Slaby, Stein, Vitale, Faber, Patton, Roegner, Sweeney, Retherford, Celebrezze, and Keller. This bill would create a “zero-emissions nuclear resource program” to purportedly “provide long-term energy security and environmental and other benefits to the region and to retail electric service customers in the state.” The ZEN program would provide above market payments to nuclear plants in Ohio from the time implemented until at least 2030. The bill would result in residential customer’s paying a monthly nonbypassable charge of \$2.50 and nonresidential customer’s paying the lesser of \$3,500 or 5% of their bill. This is shown in the table below.

	Residential	Nonresidential	
		Lesser of	
Monthly Cost	\$ 2.50	\$ 3,500	5% of Monthly Electricity Costs
Annual Cost	\$ 30.00	\$ 42,000	5% of Annual Electricity Costs

Lake County, Ohio has approximately 85,000 households and roughly 12,000 commercial and industrial accounts. The commercial and industrial accounts break down to mostly secondary accounts, with a handful of primary and sub-transmission accounts. We assumed a blended rate for these C&I accounts of \$0.10/kWh, \$0.075/kWh, and \$0.06/kWh respectively, to estimate how C&I account costs would be capped. Based on aggregated consumption data for C&I accounts, we estimate an annual cost to Lake County residents and C&I customers of at least \$7,108,000. This translates to a total cost through the end of 2030 of about \$94 million. The table below shows the impact to the residential and nonresidential groups on an annual and total basis¹.

Cost of H.B. 381 to Lake County, OH	
Annual Cost to Residential Customers	\$ 2,500,710
Total Cost to Residential Customers	\$ 32,981,967
Annual Cost to C&I Customers	\$ 4,607,295
Total Cost to C&I Customers	\$ 60,765,801
Annual Cost to Lake County	\$ 7,108,005
Total Cost to Lake County	\$ 93,747,768

¹ The costs shown are estimates, and are likely conservative.