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### **Statewide**

#### **Evidentiary Hearing on Legacy Generation Resource Riders (LGR Riders) Begins (Case No. 24-153-EL-RDR)**

**Summary:** Since 2019 and the passage of the now-repealed, corrupt House Bill 6 (HB 6), Ohio customers have been forced to fund a subsidy for two 1950s-era, uneconomical, dirty coal plants—one of which is in Indiana—operated by the Ohio Valley Electric Corporation (OVEC). OVEC is partly owned by three Ohio utilities, Duke Energy Ohio, AES Ohio, and AEP Ohio. The three utilities plus the FirstEnergy Ohio utilities have all been charging their customers for costs associated with OVEC's imprudent and unreasonable operations for over a decade at this point.

OMAEG has opposed OVEC subsidies from the beginning, participating in various audit proceedings and arguing that customers should not continue paying for imprudent costs associated with these two aging and uneconomic coal plants. OMAEG was instrumental in the passage of House Bill 15, which finally repealed the subsidies. In the current ongoing audit proceeding of the HB 6-created subsidy, OMAEG once again urges the Public Utilities Commission of Ohio (PUCO) to disallow the full amount collected by the state's electric distribution utilities (EDUs), estimated to be between \$159.4 million and \$181.2 million, and to refund that money to customers.

The hearing on the 2021–2023 audit of the LGR Riders began this week, and OMAEG's cross-examination revealed that the auditor once again failed to consider the best interests of customers in its analysis. Notably, the audit had two explicit purposes: to determine (1) whether the costs that the EDUs recovered from customers were prudent and reasonable, and (2) whether the EDUs' actions were in the best interests of their customers. The auditor completely failed to complete the audit and did not determine the second piece of the audit—what is in the customers' best interests.

#### **Supreme Court of the United States (SCOTUS) Rejects Utilities' Attempt to Overcharge Customers for Transmission**

**Summary:** As you may recall, earlier this year, the Sixth Circuit Court of Appeals ruled in favor of Ohio customers by blocking the State's EDUs from continuing to include an 'RTO adder' that has long allowed the EDUs to charge customers higher electric rates. Critics had likened the adder to a handout that inflated customer transmission costs. The EDUs appealed the decision, and this week, SCOTUS chose not to hear the appeal, meaning the Sixth Circuit's ruling remains in place. Removal of the adder is expected to save Ohio customers an estimated \$400 million over the next six years.