



WORKING Together



Looking back on 2021, the Ohio Municipal Electric Association (OMEA) successfully navigated the ever-evolving policymaking and electric utility industry arenas. The OMEA serves as the statewide advocate on behalf of Ohio's municipal electric communities, which collectively serve more than 400,000 customers.

By working together with our members throughout Ohio, we were able to face challenges head on and seek opportunities when available.

Although the COVID-19 pandemic continued to dominate 2021, policymakers in Congress and the Ohio General Assembly remained busy working on issues of importance to public power.

In Washington, a new administration and change in the Senate majority brought a shift in policy priorities. The OMEA worked to secure assistance through COVID-relief legislation, advocated against an onerous climate-related proposal and continued pushing for a fix to the sequestration on Build America Bonds (BABs) and New Clean Renewable Energy Bonds (CREBs).





Michael Beirne
OMEA Executive Director



Robin Laubaugh
President of the OMEA
Board of Directors,
Wadsworth Mayor

At the Ohio Statehouse, the OMEA was successful in pushing back against legislation that would have effectively prohibited municipal broadband, secured an amendment to bring light to the increasing cost of transmission service and protected public power from oppressive legislation. Additionally, the Ohio Supreme Court issued an important decision verifying the Home Rule authority of Ohio's municipal electric communities.

The successes enjoyed and battles hard fought remind us of the value and importance of working together. As OMEA celebrates 60 years of service in 2022, we remain proud to continue serving as public power's advocate.

A handwritten signature in black ink, appearing to read "M. Beirne".

A handwritten signature in black ink, appearing to read "Robin Laubaugh".

Legislative Rally

In 2021, more than 40 representatives from 23 OMEA member communities participated in the American Public Power Association (APPA) Legislative Rally, which took place virtually, March 1–3.

Although the Rally was held virtually, the annual event still served as an opportunity for municipal electric system representatives to share firsthand insights with federal lawmakers and staff. It provided a valuable opportunity to directly engage in the legislative process and raise awareness about the issues that affect public power communities and customers.

OMEA participants focused on several key issues: the continued sequestration of BABs and New CREBs, increasing transmission costs, the PJM Interconnection (PJM) capacity construct and the Federal Energy Regulatory Commission (FERC) order on PJM's Minimum Offer Price Rule (MOPR), and climate change and efforts to reduce carbon emissions. All have the potential of creating negative impacts on the ability of municipal systems to provide electric service to customers.

During the APPA Legislative & Resolutions Committee meeting on March 2, APPA members adopted seven resolutions. The OMEA sponsored Resolution 20-05: In Opposition to the Sequestration of Direct Payment Bond Payments.

Throughout the week, OMEA attendees met virtually with members of the Ohio congressional delegation. This included meetings with Sen. Rob Portman (R), Sen. Sherrod Brown (D) and Reps. Troy Balderson (R), Bob Gibbs (R), Bill Johnson (R) and Bob Latta (R). Additionally, OMEA members met with senior staff members in the offices of Reps. Joyce Beatty (D), Jim Jordan (R), David Joyce (R), Anthony Gonzalez (R), Warren Davidson (R) and Brad Wenstrup (R).



Annual Conference

The 2021 American Municipal Power, Inc. (AMP) Annual Conference, held Sept. 20-22, returned to an in-person format with a virtual option.

During the OMEA General Membership Meeting, members selected two new honorary members in Kathy Cocuzzi, former mayor of the City of Westerville, and Dave Collinsworth, former city manager of the cities of Westerville and Tipp City. Elections were then held for four seats on the OMEA Board of Directors. The cities of Bryan, Tipp City and Westerville were re-elected to four-year terms on the OMEA Board of Directors. Additionally, the City of Painesville was elected to serve on the Board of Directors, and the City of Wapakoneta was elected as an ex officio member of the OMEA Board.

Following the election, the OMEA Board of Directors conducted its annual reorganization meeting and elected Wadsworth Mayor Robin Laubaugh as president of the Board. Montpelier Mayor Steve Yagelski was re-elected, and Bryan Mayor Carrie Schlade was elected to the Board's three-member Executive Committee.

Montpelier Mayor Steve Yagelski speaks to attendees during the OMEA general membership meeting.



From left: Bryan Mayor Carrie Schlade, Wadsworth Mayor Robin Laubaugh and Montpelier Mayor Steve Yagelski, the three members of the OMEA Board of Directors Executive Committee, gathered following the OMEA reorganizational meeting at the 2021 AMP Annual Conference.



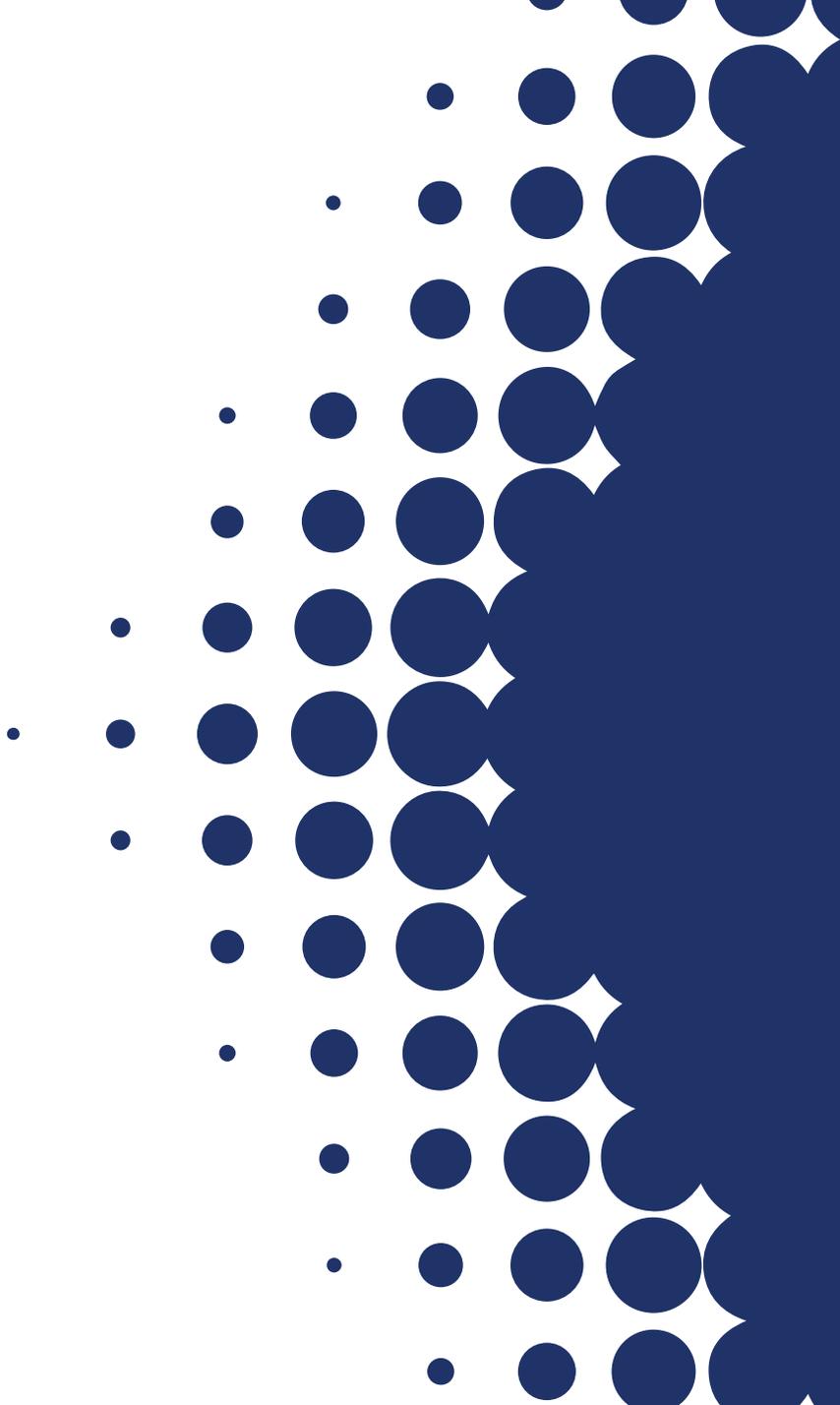


Federal Activity

At the federal level, a new administration and Senate majority resulted in a shift in both legislative and regulatory priorities. The OMEA continued its efforts to advocate on behalf of Ohio's public power communities with our federal delegation through member meetings, coalition building and position papers.

In 2021, efforts continued to center on the federal response to COVID-19 and associated funding proposals. These proposals sought to provide assistance to utilities and their customers and to mitigate the impact of the pandemic. While many of the proposals provided some benefits, there were concerns that some proposals would be detrimental to municipal utility operations. The OMEA remained engaged with our federal delegation to ensure that the adopted version of the American Rescue Plan would provide the tools necessary for municipal electric utilities to face the challenges presented by the ongoing pandemic.

Congress adopted a significant infrastructure bill, providing much-needed investments in the electric utility industry. The \$1.2-billion package includes funding for electric vehicle (EV) charging infrastructure, cybersecurity grants for public power, the expansion of broadband service (including public power eligibility), and efforts to improve the resiliency of the electric grid, among other things. Implementation of the Infrastructure and Investment Jobs Act continues in 2022.



Consideration and deliberation over a Build Back Better plan stalled but is expected to return in 2022. The bill provides some benefits to public power, such as the ability to receive direct-pay bond payments for renewable energy projects. However, the proposal is expected to include climate-related provisions, and the OMEA, working with members, raised awareness with our federal delegation regarding issues related to the Clean Energy Performance Program. The OMEA continued working to ensure that any proposal ultimately enacted includes comparable tax incentives for public power.

Working to resolve the ongoing issue of sequestration of BABs and New CREBs remains a priority for the OMEA. While OMEA was pleased that Congress recognized the harm caused by sequestration, disappointment remained that Congress has not addressed those bonds that have already been issued. The OMEA will continue to raise awareness and seek a remedy to this long-standing issue.

As the ongoing debate over climate change and overall energy policy continued, the OMEA stayed on the front line to ensure that policies promote system reliability, mitigate rate impacts on public power and their customers, and ensure that proposals are practical in their implementation to match the technological abilities to achieve them.



State Activity

At the state level, the OMEA is pleased that 2021 concluded without the passage of any major legislation that would be detrimental to Ohio's public power communities. Additionally, OMEA efforts were successful in securing beneficial, and stopping detrimental, amendments impacting Ohio's municipal electric systems.

An OMEA-backed amendment was included in House Bill 128, a measure designed to repeal portions of Ohio energy law enacted via House Bill 6. The amendment called for the creation of a study and subsequent report by the Ohio Power Siting Board related to the issue of rising transmission costs. The goal of this amendment was to continue to push the issue of rising transmission costs to the forefront of energy discussions at the Ohio Statehouse.

The OMEA was active in a measure that restricted political subdivisions from preventing consumers within its boundaries from limiting the use of natural gas. The bill, House Bill 201 sponsored by Rep. Jason Stephens, was part of a national effort by natural gas interests to preempt local governments from restricting their commodity. As similar bills passed in other states, so too did this bill ultimately pass in Ohio. The OMEA was instrumental in getting an amendment to protect existing franchise agreements.

The OMEA also secured an amendment protecting existing municipal broadband systems from unfair competition during deliberations on House Bill 2, legislation to establish the Ohio Residential Broadband Expansion Grant Program.

Finally, the OMEA was instrumental in fighting off an eleventh-hour proposal in the state budget bill that would have effectively banned municipalities from operating municipal broadband systems. The amendment, which was inserted into the Senate version of the state budget just prior to the full Senate vote, also severely restricted the ability of existing municipal broadband systems to serve new customers. The OMEA, working with members and like-minded stakeholders, advocated before the budget conference committee and with members of the Ohio House and Senate to remove this provision. As a result of the advocacy efforts of OMEA and other groups, the budget conference committee removed the onerous amendment prior to final adoption.

The OMEA was also active in 2021 to ensure that federal funds provided to the state for COVID-19 relief were used to benefit municipal utility customers. Measures before the state Controlling Board and in various legislation (HB 167, SB 110) provided necessary financial resources to those impacted by the pandemic who needed assistance with their utility bills. The OMEA worked with state officials in an effort to ensure that municipal utility customers were also in line to receive state assistance through these programs.

The OMEA remained active on a number of other bills that were considered, including legislation encouraging the development of EV infrastructure (SB 32, HB 292); and proposals on the siting of solar projects, both on a large utility scale (SB 52) and at the community level (HB 450).

At the Ohio Supreme Court, an important Home Rule decision was issued in the *Illuminating Company versus Cleveland Public Power* case. The OMEA was pleased that the court validated the authority of municipalities to provide electric service to customers. However, the OMEA remains concerned about any parameters that might be placed in the future on municipal electric utilities serving customers outside their corporate boundaries.





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