

As Introduced

134th General Assembly

Regular Session

2021-2022

H. B. No. 429

Representatives Weinstein, Howse

**Cosponsors: Representatives Crossman, Galonski, Boyd, Boggs, Brent, Sheehy,
Skindell, Liston, Leland, Denson**

A BILL

To amend sections 122.077, 123.01, 123.22, 125.09, 1
125.15, 125.19, 135.63, 135.78, 135.81, 135.82, 2
156.01, 175.01, 307.041, 505.264, 717.02, 3
717.25, 1551.05, 1710.01, 1710.061, 1733.04, 4
1733.24, 3313.372, 3345.61, 3345.69, 3375.405, 5
4905.31, 4906.01, 4906.02, 4906.03, 4906.20, 6
4906.201, 4911.02, 4928.01, 4928.02, 4928.142, 7
4928.143, 4928.51, 4928.52, 4928.55, 4928.56, 8
4928.58, 4928.61, 4928.62, 4928.621, 4928.64, 9
4928.65, 4928.66, 4928.662, 4928.6610, 10
4928.6612, 4928.71, 4929.02, 4929.051, 5501.311, 11
and 5727.75; to enact sections 135.55, 135.551, 12
135.56, 135.57, 135.58, 135.59, 185.01, 185.03, 13
185.06, 185.09, 185.12, 185.13, 185.15, 185.16, 14
185.17, 185.18, 185.19, 185.20, 185.21, 185.22, 15
185.23, 185.24, 185.25, 185.30, 185.31, 185.32, 16
185.33, 185.34, 3704.20, 3704.21, 3704.22, 17
3704.23, 3704.24, 3704.25, 3704.26, 3704.27, 18
3704.28, 4903.191, 4903.26, 4903.261, 4903.263, 19
4903.264, 4903.265, 4903.266, 4903.267, 20
4903.269, 4903.2611, 4903.2613, 4903.2615, 21
4903.2617, 4903.2619, 4903.2621, 4903.30, 22

4905.044, 4905.047, 4905.23, 4905.24, 4905.25,	23
4928.021, 4928.113, 4928.115, 4928.117,	24
4928.119, 4928.45, 4928.451, 4928.452, 4928.453,	25
4928.663, 4928.671, 4928.83, 4928.832, 4928.835,	26
4928.838, 4928.8310, 4928.8312, 4928.8314,	27
4928.8315, 4928.8317, 4928.8319, 4928.8321,	28
4928.8324, 4928.8327, 4928.8330, 4928.8335,	29
4928.8340, 4928.85, 4928.853, 4928.855,	30
4928.859, 4928.8513, 4928.8517, 4928.8521,	31
4928.8524, 4928.8527, 4928.8530, 4928.8535,	32
4928.8537, 4928.8540, 4928.8543, 4928.8545,	33
4928.8550, 4928.90, 4928.901, 4928.903,	34
4928.904, 4928.906, 4928.909, 4928.9013,	35
4928.9015, 4928.9018, 4928.9020, 4928.9025, and	36
4933.50; and to repeal section 4911.021 of the	37
Revised Code to establish programs and state	38
policies regarding clean energy jobs and energy	39
justice, to create the Governor's Office of	40
Energy Justice, to make changes to the	41
environmental, electric utility, and other	42
public utility laws, and to make an	43
appropriation.	44

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 122.077, 123.01, 123.22, 125.09,	45
125.15, 125.19, 135.63, 135.78, 135.81, 135.82, 156.01, 175.01,	46
307.041, 505.264, 717.02, 717.25, 1551.05, 1710.01, 1710.061,	47
1733.04, 1733.24, 3313.372, 3345.61, 3345.69, 3375.405, 4905.31,	48
4906.01, 4906.02, 4906.03, 4906.20, 4906.201, 4911.02, 4928.01,	49

4928.02, 4928.142, 4928.143, 4928.51, 4928.52, 4928.55, 4928.56, 50
4928.58, 4928.61, 4928.62, 4928.621, 4928.64, 4928.65, 4928.66, 51
4928.662, 4928.6610, 4928.6612, 4928.71, 4929.02, 4929.051, 52
5501.311, and 5727.75 be amended and sections 135.55, 135.551, 53
135.56, 135.57, 135.58, 135.59, 185.01, 185.03, 185.06, 185.09, 54
185.12, 185.13, 185.15, 185.16, 185.17, 185.18, 185.19, 185.20, 55
185.21, 185.22, 185.23, 185.24, 185.25, 185.30, 185.31, 185.32, 56
185.33, 185.34, 3704.20, 3704.21, 3704.22, 3704.23, 3704.24, 57
3704.25, 3704.26, 3704.27, 3704.28, 4903.191, 4903.26, 4903.261, 58
4903.263, 4903.264, 4903.265, 4903.266, 4903.267, 4903.269, 59
4903.2611, 4903.2613, 4903.2615, 4903.2617, 4903.2619, 60
4903.2621, 4903.30, 4905.044, 4905.047, 4905.23, 4905.24, 61
4905.25, 4928.021, 4928.113, 4928.115, 4928.117, 4928.119, 62
4928.45, 4928.451, 4928.452, 4928.453, 4928.663, 4928.671, 63
4928.83, 4928.832, 4928.835, 4928.838, 4928.8310, 4928.8312, 64
4928.8314, 4928.8315, 4928.8317, 4928.8319, 4928.8321, 65
4928.8324, 4928.8327, 4928.8330, 4928.8335, 4928.8340, 4928.85, 66
4928.853, 4928.855, 4928.859, 4928.8513, 4928.8517, 4928.8521, 67
4928.8524, 4928.8527, 4928.8530, 4928.8535, 4928.8537, 68
4928.8540, 4928.8543, 4928.8545, 4928.8550, 4928.90, 4928.901, 69
4928.903, 4928.904, 4928.906, 4928.909, 4928.9013, 4928.9015, 70
4928.9018, 4928.9020, 4928.9025, and 4933.50 of the Revised Code 71
be enacted to read as follows: 72

Sec. 122.077. For the purpose of promoting the use of 73
energy ~~efficient~~waste reducing products to reduce greenhouse 74
gas emissions in this state, the director of development shall 75
establish an energy star rebate program under which the director 76
may provide rebates to consumers for household devices carrying 77
the energy star label indicating that the device meets the 78
energy efficiency criteria of the energy star program 79
established by the United States department of energy and the 80

United States environmental protection agency. The director 81
shall adopt rules under Chapter 119. of the Revised Code that 82
are necessary for successful and efficient administration of the 83
energy star rebate program and shall specify in the rules that 84
grant availability is limited to federal stimulus funds or any 85
other funds specifically appropriated for such a program. 86

Sec. 123.01. (A) The department of administrative 87
services, in addition to those powers enumerated in Chapters 88
124. and 125. of the Revised Code and provided elsewhere by law, 89
shall exercise the following powers: 90

(1) To prepare and suggest comprehensive plans for the 91
development of grounds and buildings under the control of a 92
state agency; 93

(2) To acquire, by purchase, gift, devise, lease, or 94
grant, all real estate required by a state agency, in the 95
exercise of which power the department may exercise the power of 96
eminent domain, in the manner provided by sections 163.01 to 97
163.22 of the Revised Code; 98

(3) To erect, supervise, and maintain all public monuments 99
and memorials erected by the state, except where the supervision 100
and maintenance is otherwise provided by law; 101

(4) To procure, by lease, storage accommodations for a 102
state agency; 103

(5) To lease or grant easements or licenses for 104
unproductive and unused lands or other property under the 105
control of a state agency. Such leases, easements, or licenses 106
may be granted to any person or entity, shall be for a period 107
not to exceed fifteen years, unless a longer period is 108
authorized by division (A) (5) of this section, and shall be 109

executed for the state by the director of administrative 110
services. The director shall grant leases, easements, or 111
licenses of university land for periods not to exceed twenty- 112
five years for purposes approved by the respective university's 113
board of trustees wherein the uses are compatible with the uses 114
and needs of the university and may grant leases of university 115
land for periods not to exceed forty years for purposes approved 116
by the respective university's board of trustees pursuant to 117
section 123.17 of the Revised Code. The director may grant 118
perpetual easements to public utilities, as defined in section 119
4905.02 of the Revised Code or described in section 4905.03 of 120
the Revised Code. 121

(6) To lease space for the use of a state agency; 122

(7) To have general supervision and care of the 123
storerooms, offices, and buildings leased for the use of a state 124
agency; 125

(8) To exercise general custodial care of all real 126
property of the state; 127

(9) To assign and group together state offices in any city 128
in the state and to establish, in cooperation with the state 129
agencies involved, rules governing space requirements for office 130
or storage use; 131

(10) To lease for a period not to exceed forty years, 132
pursuant to a contract providing for the construction thereof 133
under a lease-purchase plan, buildings, structures, and other 134
improvements for any public purpose, and, in conjunction 135
therewith, to grant leases, easements, or licenses for lands 136
under the control of a state agency for a period not to exceed 137
forty years. The lease-purchase plan shall provide that at the 138

end of the lease period, the buildings, structures, and related 139
improvements, together with the land on which they are situated, 140
shall become the property of the state without cost. 141

(a) Whenever any building, structure, or other improvement 142
is to be so leased by a state agency, the department shall 143
retain either basic plans, specifications, bills of materials, 144
and estimates of cost with sufficient detail to afford bidders 145
all needed information or, alternatively, all of the following 146
plans, details, bills of materials, and specifications: 147

(i) Full and accurate plans suitable for the use of 148
mechanics and other builders in the improvement; 149

(ii) Details to scale and full sized, so drawn and 150
represented as to be easily understood; 151

(iii) Accurate bills showing the exact quantity of 152
different kinds of material necessary to the construction; 153

(iv) Definite and complete specifications of the work to 154
be performed, together with such directions as will enable a 155
competent mechanic or other builder to carry them out and afford 156
bidders all needed information; 157

(v) A full and accurate estimate of each item of expense 158
and of the aggregate cost thereof. 159

(b) The department shall give public notice, in such 160
newspaper, in such form, and with such phraseology as the 161
director of administrative services prescribes, published once 162
each week for four consecutive weeks, of the time when and place 163
where bids will be received for entering into an agreement to 164
lease to a state agency a building, structure, or other 165
improvement. The last publication shall be at least eight days 166
preceding the day for opening the bids. The bids shall contain 167

the terms upon which the builder would propose to lease the 168
building, structure, or other improvement to the state agency. 169
The form of the bid approved by the department shall be used, 170
and a bid is invalid and shall not be considered unless that 171
form is used without change, alteration, or addition. Before 172
submitting bids pursuant to this section, any builder shall 173
comply with Chapter 153. of the Revised Code. 174

(c) On the day and at the place named for receiving bids 175
for entering into lease agreements with a state agency, the 176
director of administrative services shall open the bids and 177
shall publicly proceed immediately to tabulate the bids upon 178
duplicate sheets. No lease agreement shall be entered into until 179
the bureau of workers' compensation has certified that the 180
person to be awarded the lease agreement has complied with 181
Chapter 4123. of the Revised Code, until, if the builder 182
submitting the lowest and best bid is a foreign corporation, the 183
secretary of state has certified that the corporation is 184
authorized to do business in this state, until, if the builder 185
submitting the lowest and best bid is a person nonresident of 186
this state, the person has filed with the secretary of state a 187
power of attorney designating the secretary of state as its 188
agent for the purpose of accepting service of summons in any 189
action brought under Chapter 4123. of the Revised Code, and 190
until the agreement is submitted to the attorney general and the 191
attorney general's approval is certified thereon. Within thirty 192
days after the day on which the bids are received, the 193
department shall investigate the bids received and shall 194
determine that the bureau and the secretary of state have made 195
the certifications required by this section of the builder who 196
has submitted the lowest and best bid. Within ten days of the 197
completion of the investigation of the bids, the department 198

shall award the lease agreement to the builder who has submitted 199
the lowest and best bid and who has been certified by the bureau 200
and secretary of state as required by this section. If bidding 201
for the lease agreement has been conducted upon the basis of 202
basic plans, specifications, bills of materials, and estimates 203
of costs, upon the award to the builder the department, or the 204
builder with the approval of the department, shall appoint an 205
architect or engineer licensed in this state to prepare such 206
further detailed plans, specifications, and bills of materials 207
as are required to construct the building, structure, or 208
improvement. The department shall adopt such rules as are 209
necessary to give effect to this section. The department may 210
reject any bid. Where there is reason to believe there is 211
collusion or combination among bidders, the bids of those 212
concerned therein shall be rejected. 213

(11) To acquire by purchase, gift, devise, or grant and to 214
transfer, lease, or otherwise dispose of all real property 215
required to assist in the development of a conversion facility 216
as defined in section 5709.30 of the Revised Code as that 217
section existed before its repeal by Amended Substitute House 218
Bill 95 of the 125th general assembly; 219

(12) To lease for a period not to exceed forty years, 220
notwithstanding any other division of this section, the state- 221
owned property located at 408-450 East Town Street, Columbus, 222
Ohio, formerly the state school for the deaf, to a developer in 223
accordance with this section. "Developer," as used in this 224
section, has the same meaning as in section 123.77 of the 225
Revised Code. 226

Such a lease shall be for the purpose of development of 227
the land for use by senior citizens by constructing, altering, 228

renovating, repairing, expanding, and improving the site as it 229
existed on June 25, 1982. A developer desiring to lease the land 230
shall prepare for submission to the department a plan for 231
development. Plans shall include provisions for roads, sewers, 232
water lines, waste disposal, water supply, and similar matters 233
to meet the requirements of state and local laws. The plans 234
shall also include provision for protection of the property by 235
insurance or otherwise, and plans for financing the development, 236
and shall set forth details of the developer's financial 237
responsibility. 238

The department may employ, as employees or consultants, 239
persons needed to assist in reviewing the development plans. 240
Those persons may include attorneys, financial experts, 241
engineers, and other necessary experts. The department shall 242
review the development plans and may enter into a lease if it 243
finds all of the following: 244

(a) The best interests of the state will be promoted by 245
entering into a lease with the developer; 246

(b) The development plans are satisfactory; 247

(c) The developer has established the developer's 248
financial responsibility and satisfactory plans for financing 249
the development. 250

The lease shall contain a provision that construction or 251
renovation of the buildings, roads, structures, and other 252
necessary facilities shall begin within one year after the date 253
of the lease and shall proceed according to a schedule agreed to 254
between the department and the developer or the lease will be 255
terminated. The lease shall contain such conditions and 256
stipulations as the director considers necessary to preserve the 257

best interest of the state. Moneys received by the state 258
pursuant to this lease shall be paid into the general revenue 259
fund. The lease shall provide that at the end of the lease 260
period the buildings, structures, and related improvements shall 261
become the property of the state without cost. 262

(13) To manage the use of space owned and controlled by 263
the department by doing all of the following: 264

(a) Biennially implementing, by state agency location, a 265
census of agency employees assigned space; 266

(b) Periodically in the discretion of the director of 267
administrative services: 268

(i) Requiring each state agency to categorize the use of 269
space allotted to the agency between office space, common areas, 270
storage space, and other uses, and to report its findings to the 271
department; 272

(ii) Creating and updating a master space utilization plan 273
for all space allotted to state agencies. The plan shall 274
incorporate space utilization metrics. 275

(iii) Conducting a cost-benefit analysis to determine the 276
effectiveness of state-owned buildings; 277

(iv) Assessing the alternatives associated with 278
consolidating the commercial leases for buildings located in 279
Columbus. 280

(c) Commissioning a comprehensive space utilization and 281
capacity study in order to determine the feasibility of 282
consolidating existing commercially leased space used by state 283
agencies into a new state-owned facility. 284

(14) To adopt rules to ensure that energy ~~efficiency~~ waste 285

reduction and conservation is considered in the purchase of 286
products and equipment, except motor vehicles, by any state 287
agency, department, division, bureau, office, unit, board, 288
commission, authority, quasi-governmental entity, or 289
institution. The department may require minimum energy 290
~~efficiency~~waste reduction standards for purchased products and 291
equipment based on federal testing and labeling if available or 292
on standards developed by the department. When possible, the 293
rules shall apply to the competitive selection of energy 294
consuming systems, components, and equipment under Chapter 125. 295
of the Revised Code. 296

(15) To ensure energy ~~efficient~~waste reducing and energy 297
conserving purchasing practices by doing all of the following: 298

(a) Identifying available energy ~~efficiency~~waste
reduction and conservation opportunities; 299 300

(b) Providing for interchange of information among 301
purchasing agencies; 302

(c) Identifying laws, policies, rules, and procedures that 303
should be modified; 304

(d) Monitoring experience with and the cost-effectiveness 305
of this state's purchase and use of motor vehicles and of major 306
energy-consuming systems, components, equipment, and products 307
having a significant impact on energy consumption by the 308
government; 309

(e) Providing technical assistance and training to state 310
employees involved in the purchasing process; 311

(f) Working with the department of development to make 312
recommendations regarding planning and implementation of 313
purchasing policies and procedures that are supportive of energy 314

~~efficiency-waste reduction~~ and conservation. 315

(16) To require all state agencies, departments, 316
divisions, bureaus, offices, units, commissions, boards, 317
authorities, quasi-governmental entities, institutions, and 318
state institutions of higher education to implement procedures 319
to ensure that all of the passenger automobiles they acquire in 320
each fiscal year, except for those passenger automobiles 321
acquired for use in law enforcement or emergency rescue work, 322
achieve a fleet average fuel economy of not less than the fleet 323
average fuel economy for that fiscal year as the department 324
shall prescribe by rule. The department shall adopt the rule 325
prior to the beginning of the fiscal year, in accordance with 326
the average fuel economy standards established by federal law 327
for passenger automobiles manufactured during the model year 328
that begins during the fiscal year. 329

Each state agency, department, division, bureau, office, 330
unit, commission, board, authority, quasi-governmental entity, 331
institution, and state institution of higher education shall 332
determine its fleet average fuel economy by dividing the total 333
number of passenger vehicles acquired during the fiscal year, 334
except for those passenger vehicles acquired for use in law 335
enforcement or emergency rescue work, by a sum of terms, each of 336
which is a fraction created by dividing the number of passenger 337
vehicles of a given make, model, and year, except for passenger 338
vehicles acquired for use in law enforcement or emergency rescue 339
work, acquired during the fiscal year by the fuel economy 340
measured by the administrator of the United States environmental 341
protection agency, for the given make, model, and year of 342
vehicle, that constitutes an average fuel economy for combined 343
city and highway driving. 344

As used in division (A) (16) of this section, "acquired" 345
means leased for a period of sixty continuous days or more, or 346
purchased. 347

(17) To correct legal descriptions or title defects, or 348
release fractional interests in real property, as necessary to 349
cure title clouds reflected in public records, including those 350
resulting from boundary disputes, ingress or egress issues, 351
title transfers precipitated through retirement of bond 352
requirements, and the retention of fractional interests in real 353
estate otherwise disposed of in previous title transfers. 354

(18) To, with controlling board approval, sell state-owned 355
real property that is appraised at not more than one hundred 356
thousand dollars by an independent third-party appraiser. 357

Notwithstanding any provision of law to the contrary, net 358
proceeds from any disposition of real property made pursuant to 359
division (A) (18) of this section shall, at the direction of the 360
director of budget and management, be credited to a fund or 361
funds in the state treasury, or to accounts held by a state 362
institution of higher education for purposes to be determined by 363
the institution. 364

(B) This section and section 125.02 of the Revised Code 365
shall not interfere with any of the following: 366

(1) The power of the adjutant general to purchase military 367
supplies, or with the custody of the adjutant general of 368
property leased, purchased, or constructed by the state and used 369
for military purposes, or with the functions of the adjutant 370
general as director of state armories; 371

(2) The power of the director of transportation in 372
acquiring rights-of-way for the state highway system, or the 373

leasing of lands for division or resident district offices, or 374
the leasing of lands or buildings required in the maintenance 375
operations of the department of transportation, or the purchase 376
of real property for garage sites or division or resident 377
district offices, or in preparing plans and specifications for 378
and constructing such buildings as the director may require in 379
the administration of the department; 380

(3) The power of the director of public safety and the 381
registrar of motor vehicles to purchase or lease real property 382
and buildings to be used solely as locations to which a deputy 383
registrar is assigned pursuant to division (B) of section 384
4507.011 of the Revised Code and from which the deputy registrar 385
is to conduct the deputy registrar's business, the power of the 386
director of public safety to purchase or lease real property and 387
buildings to be used as locations for division or district 388
offices as required in the maintenance of operations of the 389
department of public safety, and the power of the superintendent 390
of the state highway patrol in the purchase or leasing of real 391
property and buildings needed by the patrol, to negotiate the 392
sale of real property owned by the patrol, to rent or lease real 393
property owned or leased by the patrol, and to make or cause to 394
be made repairs to all property owned or under the control of 395
the patrol; 396

(4) The power of the division of liquor control in the 397
leasing or purchasing of retail outlets and warehouse facilities 398
for the use of the division; 399

(5) The power of the director of development to enter into 400
leases of real property, buildings, and office space to be used 401
solely as locations for the state's foreign offices to carry out 402
the purposes of section 122.05 of the Revised Code; 403

(6) The power of the director of environmental protection 404
to enter into environmental covenants, to grant and accept 405
easements, or to sell property pursuant to division (G) of 406
section 3745.01 of the Revised Code; 407

(7) The power of the department of public safety under 408
section 5502.01 of the Revised Code to direct security measures 409
and operations for the Vern Riffe center and the James A. Rhodes 410
state office tower. The department of administrative services 411
shall implement all security measures and operations at the Vern 412
Riffe center and the James A. Rhodes state office tower as 413
directed by the department of public safety. 414

(C) Purchases for, and the custody and repair of, 415
buildings under the management and control of the capitol square 416
review and advisory board, the opportunities for Ohioans with 417
disabilities agency, the bureau of workers' compensation, or the 418
departments of public safety, job and family services, mental 419
health and addiction services, developmental disabilities, and 420
rehabilitation and correction; buildings of educational and 421
benevolent institutions under the management and control of 422
boards of trustees; and purchases or leases for, and the custody 423
and repair of, office space used for the purposes of any agency 424
of the legislative branch of state government are not subject to 425
the control and jurisdiction of the department of administrative 426
services. 427

An agency of the legislative branch of state government 428
that uses office space in a building under the management and 429
control of the department of administrative services may 430
exercise the agency's authority to improve the agency's office 431
space as authorized under this division only if, upon review, 432
the department of administrative services concludes the proposed 433

improvements do not adversely impact the structural integrity of 434
the building. 435

If an agency of the legislative branch of state 436
government, except the capitol square review and advisory board, 437
so requests, the agency and the director of administrative 438
services may enter into a contract under which the department of 439
administrative services agrees to perform any services requested 440
by the agency that the department is authorized under this 441
section to perform. In performing such services, the department 442
shall not use competitive selection. As used in this division, 443
"competitive selection" has the meaning defined in section 444
125.01 of the Revised Code and includes any other type of 445
competitive process for the selection of persons producing or 446
dealing in the services to be provided. 447

(D) Any instrument by which real property is acquired 448
pursuant to this section shall identify the agency of the state 449
that has the use and benefit of the real property as specified 450
in section 5301.012 of the Revised Code. 451

Sec. 123.22. (A) As used in this section: 452

(1) "Construct" includes reconstruct, improve, renovate, 453
enlarge, or otherwise alter. 454

(2) "Energy consumption analysis" means the evaluation of 455
all energy consuming systems, components, and equipment by 456
demand and type of energy, including the internal energy load 457
imposed on a facility by its occupants and the external energy 458
load imposed by climatic conditions. 459

(3) "Facility" means a building or other structure, or 460
part of a building or other structure, that includes provision 461
for a heating, refrigeration, ventilation, cooling, lighting, 462

hot water, or other major energy consuming system, component, or equipment.	463 464
(4) "Life-cycle cost analysis" means a general approach to economic evaluation that takes into account all dollar costs related to owning, operating, maintaining, and ultimately disposing of a project over the appropriate study period.	465 466 467 468
(5) "Political subdivision" means a county, township, municipal corporation, board of education of any school district, or any other body corporate and politic that is responsible for government activities in a geographic area smaller than that of the state.	469 470 471 472 473
(6) "State funded" means funded in whole or in part through appropriation by the general assembly or through the use of any guarantee provided by this state.	474 475 476
(7) "State institution of higher education" has the same meaning as in section 3345.011 of the Revised Code.	477 478
(8) "Cogeneration" means the simultaneous production of thermal energy and electricity for use primarily within a building or complex of buildings.	479 480 481
(B) The Ohio facilities construction commission shall develop energy efficiency <u>waste reduction</u> and conservation programs for new construction design and review and for existing building audit and retrofit.	482 483 484 485
The commission may accept and administer grants from public and private sources for carrying out any of its duties under this section.	486 487 488
(C) No state agency, department, division, bureau, office, unit, board, commission, authority, quasi-governmental entity,	489 490

or institution shall construct or cause to be constructed, 491
within the limits prescribed in this section, a state-funded 492
facility without a proper life-cycle cost analysis as computed 493
or prepared by a qualified architect or engineer in accordance 494
with the rules required by division (D) of this section. 495

Construction shall proceed only upon the disclosure to the 496
commission, for the facility chosen, of the life-cycle costs as 497
determined in this section and the capitalization of the initial 498
construction costs of the building. The results of life-cycle 499
cost analysis shall be a primary consideration in the selection 500
of a building design. That analysis shall be required only for 501
construction of buildings with an area of twenty thousand square 502
feet or greater, except the commission may waive this 503
requirement or may require an analysis for buildings with an 504
area of less than twenty thousand square feet. For projects with 505
an estimated construction cost exceeding fifty million dollars, 506
the analysis shall include a review of cogeneration as an energy 507
source. 508

Nothing in this section shall deprive or limit any state 509
agency that has review authority over design or construction 510
plans from requiring a life-cycle cost analysis or energy 511
consumption analysis. 512

(D) For the purposes of assisting the commission in its 513
responsibility for state-funded facilities pursuant to section 514
123.21 of the Revised Code and of cost-effectively reducing the 515
energy consumption of those and any other state-funded 516
facilities, thereby promoting fiscal, economic, and 517
environmental benefits to this state, the commission shall 518
promulgate rules specifying cost-effective, energy ~~efficiency~~ 519
waste reduction and conservation standards that may govern the 520

design, construction, operation, and maintenance of all state- 521
funded facilities, except facilities of state institutions of 522
higher education or facilities operated by a political 523
subdivision. The department of development services agency shall 524
cooperate in providing information and technical expertise to 525
the commission to ensure promulgation of rules of maximum 526
effectiveness. The standards prescribed by rules promulgated 527
under this division may draw from or incorporate, by reference 528
or otherwise and in whole or in part, standards already 529
developed or implemented by any competent, public or private 530
standards organization or program. The rules also may include 531
any of the following: 532

(1) Specifications for a life-cycle cost analysis that 533
shall determine, for the economic life of such state-funded 534
facility, the reasonably expected costs of facility ownership, 535
operation, and maintenance including labor and materials. Life- 536
cycle cost may be expressed as an annual cost for each year of 537
the facility's use. 538

A life-cycle cost analysis additionally may include an 539
energy consumption analysis that conforms to division (D) (2) of 540
this section. 541

(2) Specifications for an energy consumption analysis of 542
the facility's heating, refrigeration, ventilation, cooling, 543
lighting, hot water, and other major energy consuming systems, 544
components, and equipment. 545

A life-cycle cost analysis and energy consumption analysis 546
shall be based on the best currently available methods of 547
analysis, such as those of the national institute of standards 548
and technology, the United States department of energy or other 549
federal agencies, professional societies, and directions 550

developed by the department. 551

(3) Specifications for energy performance indices, to be 552
used to audit and evaluate competing design proposals submitted 553
to the state. 554

(4) A process by which a manager of a specified state- 555
funded facility, except a facility of a state institution of 556
higher education or a facility operated by a political 557
subdivision, may receive a waiver of compliance with any 558
provision of the rules required by divisions (D) (1) to (3) of 559
this section. 560

(E) Each state agency, department, division, bureau, 561
office, unit, board, commission, authority, quasi-governmental 562
entity, institution, and state institution of higher education 563
shall comply with any applicable provision of this section or of 564
a rule promulgated pursuant to division (D) of this section. 565

Sec. 125.09. (A) Pursuant to sections 125.07, 125.071, and 566
125.072 of the Revised Code, the department of administrative 567
services may prescribe such conditions under which competitive 568
sealed bids, competitive sealed proposals, and bids in reverse 569
auctions will be received and terms of the proposed purchase as 570
it considers necessary; provided, that all such conditions and 571
terms shall be reasonable and shall not unreasonably restrict 572
competition, and bidders may bid and offerors may propose upon 573
all or any item of the products, supplies, or services listed in 574
such notice. Those bidders and offerors claiming the preference 575
outlined in this chapter shall designate in their bid or offer 576
either that the product or supply is produced or mined in the 577
United States and is either an Ohio product or that the product, 578
supply, or service is provided by a bidder or offeror that 579
qualifies as having a significant Ohio economic presence under 580

the rules established by the director of administrative services. 581
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(B) The department may require that each bidder or offeror provide sufficient information about the energy ~~efficiency-waste~~ reduction or energy usage of the bidder's or offeror's product, supply, or service. 583
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(C) The director of administrative services shall, by rule adopted pursuant to Chapter 119. of the Revised Code, prescribe criteria and procedures for use by all state agencies in giving preference under this section as required by division (B) of section 125.11 of the Revised Code. The rules shall extend to: 587
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(1) Criteria for determining that a product is produced or mined in the United States rather than in another country or territory; 592
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(2) Criteria for determining that a product is produced or mined in Ohio; 595
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(3) Information to be submitted by bidders or offerors as to the nature of a product and the location where it is produced or mined; 597
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(4) Criteria and procedures to be used by the director to qualify bidders or offerors located in states bordering Ohio who might otherwise be excluded from being awarded a contract by operation of this section and section 125.11 of the Revised Code. The criteria and procedures shall recognize the level and regularity of interstate commerce between Ohio and the border states and provide that the non-Ohio businesses may qualify for award of a contract as long as they are located in a state that imposes no greater restrictions than are contained in this section and section 125.11 of the Revised Code upon persons 600
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located in Ohio selling products or services to agencies of that 610
state. The criteria and procedures shall also provide that a 611
non-Ohio business shall not bid on a contract for state printing 612
in this state if the business is located in a state that 613
excludes Ohio businesses from bidding on state printing 614
contracts in that state. 615

(5) Criteria and procedures to be used to qualify bidders 616
and offerors whose manufactured products, except for mined 617
products, are produced in other states or in North America, but 618
the bidders or offerors have a significant Ohio economic 619
presence in terms of the number of employees or capital 620
investment a bidder or offeror has in this state. Bidders and 621
offerors with a significant Ohio economic presence shall qualify 622
for award of a contract on the same basis as if their products 623
were produced in this state or as if the bidder or offeror was 624
domiciled in this state. 625

(6) Criteria and procedures for the director to grant 626
waivers of the requirements of division (B) of section 125.11 of 627
the Revised Code on a contract-by-contract basis where 628
compliance with those requirements would result in the state 629
agency paying an excessive price for the product or acquiring a 630
disproportionately inferior product; 631

(7) Such other requirements or procedures reasonably 632
necessary to implement the system of preferences established 633
pursuant to division (B) of section 125.11 of the Revised Code. 634

In adopting the rules required under this division, the 635
director shall, to the maximum extent possible, conform to the 636
requirements of the federal "Buy America Act," 47 Stat. 1520, 637
(1933), 41 U.S.C.A. 10a-10d, as amended, and to the regulations 638
adopted thereunder. 639

Sec. 125.15. All state agencies required to secure any 640
equipment, materials, supplies, or services from the department 641
of administrative services shall make acquisition in the manner 642
and upon forms prescribed by the director of administrative 643
services and shall reimburse the department for the equipment, 644
materials, supplies, or services, including a reasonable sum to 645
cover the department's administrative costs and costs relating 646
to energy ~~efficiency-waste reduction~~ and conservation programs, 647
whenever reimbursement is required by the department. The money 648
so paid shall be deposited in the state treasury to the credit 649
of the general services fund, the information technology fund, 650
or the information technology governance fund, as appropriate. 651
Those funds are hereby created. 652

Sec. 125.19. The department of administrative services 653
shall make available to boards of education and local 654
governments all information about energy ~~efficiency-waste~~ 655
reduction and energy conservation purchasing measures developed 656
by the department or other state agency. 657

The department shall develop and conduct orientation and 658
training programs concerning energy ~~efficiency-waste reduction~~ 659
and energy conservation purchasing measures for all state, board 660
of education, and local employees having duties for purchasing 661
supplies, materials, and equipment. 662

Sec. 135.55. As used in sections 135.55 to 135.59 of the 663
Revised Code: 664

(A) "Black, Indigenous, and People of Color" or "BIPOC" 665
means people having origins in any of the following groups: 666

(1) American Indian, Alaska native, or any of the original 667
peoples of North America, Central America, or South America, if 668

<u>the people maintain tribal affiliation or community attachment;</u>	669
<u>(2) Any of the original peoples of the Far East, Indian</u>	670
<u>subcontinent, or Southeast Asia, including Cambodia, China,</u>	671
<u>India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands,</u>	672
<u>Thailand, or Vietnam;</u>	673
<u>(3) Black, African American, or any peoples of the black</u>	674
<u>racial groups of Africa;</u>	675
<u>(4) Any peoples of Hispanic or Latino culture or origin,</u>	676
<u>including people of Cuban, Mexican, Puerto Rican, or South or</u>	677
<u>Central American or other Spanish culture or origin;</u>	678
<u>(5) Any of the original peoples of Hawaii, Guam, Samoa, or</u>	679
<u>other Pacific islands.</u>	680
<u>(B) "Eligible small business" means any person that has</u>	681
<u>all of the following characteristics:</u>	682
<u>(1) Is headquartered in this state;</u>	683
<u>(2) Maintains offices and operating facilities exclusively</u>	684
<u>in this state and transacts business in this state;</u>	685
<u>(3) Employs fewer than one hundred fifty employees, the</u>	686
<u>majority of whom are residents of this state;</u>	687
<u>(4) Participates in either of the following:</u>	688
<u>(a) The clean energy entrepreneurs program under section</u>	689
<u>185.19 of the Revised Code;</u>	690
<u>(b) The BIPOC clean contractor accelerator under section</u>	691
<u>185.23 of the Revised Code.</u>	692
<u>(5) The core business is focused on energy waste reduction</u>	693
<u>or renewables.</u>	694

(C) "Eligible lending institution" means a financial institution that is eligible to make commercial loans, agrees to participate in the Ohio clean energy jobs and justice linked deposit program, and is either of the following: 695
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(1) A public depository of state funds under section 135.03 of the Revised Code; 699
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(2) Notwithstanding sections 135.01 to 135.21 of the Revised Code, a federal credit union, a foreign credit union licensed pursuant to section 1733.39 of the Revised Code, or a credit union as defined in section 1733.01 of the Revised Code, located in this state. 701
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(D) "Linked deposit" means a certificate of deposit or other financial institution instrument placed by the treasurer of state with an eligible lending institution at a rate below current market rates, as determined and calculated by the treasurer of state, provided the institution agrees to lend the value of such deposit, according to the deposit agreement provided in division (C) of section 135.57 of the Revised Code, to eligible small businesses at a rate that reflects an equal percentage rate reduction below the present borrowing rate applicable to each specific business at the time of the deposit of state funds in the institution. 706
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(E) "Other financial institution instrument" means a fully collateralized product that otherwise would pay market rates of interest approved by the treasurer of state. 717
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(F) "Loan" means a contractual agreement under which an eligible lending institution agrees to lend money in the form of an upfront lump sum, a line of credit, or any other reasonable arrangement approved by the treasurer of state. 720
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Sec. 135.551. The general assembly finds that there exists 724
in this state a lack of access to low interest capital for clean 725
energy businesses led by Black, Indigenous, and people of color. 726
This is a result of the systemic racism and exclusion of the 727
BIPOC community from traditional banking and lending 728
institutions. Accordingly, it is declared to be the public 729
policy of the state through the Ohio clean energy jobs and 730
justice linked deposit program to create an availability of low 731
interest loans specifically to encourage and accelerate the 732
development of clean energy businesses led by Black, Indigenous, 733
and people of color and to bolster competition for clean energy- 734
related projects. 735

Sec. 135.56. (A) An eligible lending institution that 736
seeks to receive an Ohio clean energy jobs and justice linked 737
deposit shall accept and review applications for loans from 738
eligible small businesses. The lending institution shall apply 739
all usual lending standards to determine the creditworthiness of 740
each eligible business. 741

(B) An eligible small business shall certify on its loan 742
application that the reduced rate loan will be used exclusively 743
for business focused on energy waste reduction and renewables. 744
The eligible small business shall specify on the loan 745
application what specific project or business development 746
program the loan will be used for. Whoever knowingly makes a 747
false statement concerning such application is guilty of the 748
offense of falsification under section 2921.13 of the Revised 749
Code. 750

(C) The eligible financial institution shall forward to 751
the treasurer of state an Ohio clean energy jobs and justice 752
linked deposit loan package, in the form and manner as 753

prescribed by the treasurer of state. The package shall include 754
such information as required by the treasurer of state, 755
including the amount of the loan requested and proposed use of 756
the loan. The institution shall certify that each applicant is 757
an eligible small business, and shall, for each business, 758
certify the present borrowing rate applicable to each specific 759
eligible business. 760

Sec. 135.57. (A) The treasurer of state may accept or 761
reject an Ohio clean energy jobs and justice linked deposit loan 762
package or any portion thereof, based on the treasurer of 763
state's evaluation of the eligible small businesses included in 764
the package and the amount of state funds to be deposited. When 765
evaluating the eligible small businesses, the treasurer of state 766
shall give priority to such factors as the treasurer of state 767
considers appropriate. 768

(B) Upon acceptance of the Ohio clean energy jobs and 769
justice linked deposit loan package or any portion thereof, the 770
treasurer of state may place certificates of deposit or other 771
financial institution instruments with the eligible lending 772
institution at a rate below current market rates, as determined 773
and calculated by the treasurer of state. When necessary, the 774
treasurer of state may place certificates of deposit or other 775
financial institution instruments prior to acceptance of a 776
linked deposit loan package. 777

(C) The eligible lending institution shall enter into a 778
deposit agreement with the treasurer of state, which shall 779
include requirements necessary to carry out the purposes of 780
sections 135.55 to 135.59 of the Revised Code. Such requirements 781
shall reflect the market conditions prevailing in the eligible 782
lending institution's lending area. The agreement may include a 783

specification of the period of time in which the lending 784
institution is to lend funds upon the placement of a linked 785
deposit, and shall include provisions for the certificates of 786
deposit or other financial institution instruments to be placed 787
for any maturity considered appropriate by the treasurer of 788
state not to exceed four years. Interest shall be paid at the 789
times determined by the treasurer of state. 790

(D) Eligible lending institutions shall comply fully with 791
Chapter 135. of the Revised Code. 792

Sec. 135.58. (A) Upon the placement of a linked deposit 793
with an eligible lending institution, such institution is 794
required to lend such funds to each approved eligible small 795
business listed in the linked deposit loan package required by 796
division (C) of section 135.56 of the Revised Code and in 797
accordance with the deposit agreement required by division (C) 798
of section 135.57 of the Revised Code. The loan shall be at a 799
rate that reflects a percentage rate reduction below the present 800
borrowing rate applicable to each business that is equal to the 801
percentage rate reduction below market rates at which the 802
certificates of deposit or other financial institution 803
instruments that constitute the Ohio clean energy jobs and 804
justice linked deposit were placed. A certification of 805
compliance with this section in the form and manner as 806
prescribed by the treasurer of state shall be required of the 807
eligible lending institution. 808

(B) The treasurer of state shall take any and all steps 809
necessary to implement the Ohio clean energy jobs and justice 810
linked deposit program and monitor compliance of eligible 811
lending institutions and eligible small businesses, including 812
the development of guidelines as necessary. 813

(C) Annually, by the first day of February, the treasurer 814
of state shall report on the Ohio clean energy jobs and justice 815
linked deposit program for the preceding calendar year to the 816
governor, the speaker of the house of representatives, and the 817
president of the senate. The report shall set forth the Ohio 818
clean energy jobs and justice linked deposits made by the 819
treasurer of state under the program during the year and shall 820
include information regarding the nature, terms, and amounts of 821
the loans upon which the linked deposits were based and the 822
eligible small businesses to which the loans were made. 823

Sec. 135.59. (A) The treasurer of state may adopt rules 824
necessary for the implementation and administration of sections 825
135.55 to 135.59 of the Revised Code. Such rules shall be 826
adopted in accordance with section 111.15 of the Revised Code. 827

(B) The state and treasurer of state are not liable to any 828
eligible lending institution in any manner for payment of the 829
principle or interest on the loan to an eligible small business. 830
Any delay in payments or default on the part of an eligible 831
small business shall not in any manner affect the agreement 832
between the eligible lending institution and the treasurer of 833
state. 834

Sec. 135.63. The treasurer of state may invest in Ohio 835
clean energy jobs and justice linked deposits under sections 836
135.55 to 135.59, linked deposits under sections 135.61 to 837
135.67, short-term installment loan linked deposits under 838
sections 135.68 to 135.70, agricultural linked deposits under 839
sections 135.71 to 135.76, business linked deposits under 840
sections 135.77 to 135.774, adoption linked deposits under 841
sections 135.79 to 135.796, housing linked deposits under 842
sections 135.81 to 135.87, assistive technology device linked 843

deposits under sections 135.91 to 135.97, and SaveNOW linked 844
deposits under sections 135.101 to 135.106 of the Revised Code, 845
provided that at the time of placement of any such linked 846
deposit the combined amount of investments in all such linked 847
deposits is not more than twelve per cent of the state's total 848
average investment portfolio as determined by the treasurer of 849
state. When deciding whether to invest in any such linked 850
deposits, the treasurer of state shall give priority to the 851
investment, liquidity, and cash flow needs of the state. 852

Sec. 135.78. (A) As used in this section: 853

(1) "Eligible lending institution" means an eligible 854
lending institution as defined in section 135.55, 135.61, 855
135.68, 135.71, 135.77, or 135.79 of the Revised Code, as 856
applicable. 857

(2) "Prevailing interest rate" means a current interest 858
rate benchmark selected by the treasurer of state that banks are 859
willing to pay to hold deposits for a specific time period, as 860
measured by a third-party organization. 861

(3) "Treasurer's assessment rate" means a number not 862
exceeding ten per cent that is calculated in a manner determined 863
by the treasurer of state and that seeks to account for the 864
effect that varying tax treatment among different types of 865
financial institutions has on the ability of financial 866
institutions to pay competitive interest rates to hold deposits. 867

(B) The treasurer of state shall, in accordance with 868
Chapter 111. of the Revised Code, adopt rules addressing the 869
participation of eligible lending institutions in the Ohio clean 870
energy jobs and justice linked deposit program under sections 871
135.55 to 135.59 of the Revised Code, agricultural linked 872

deposit program under sections 135.71 to 135.76 of the Revised 873
Code, the business linked deposit program under sections 135.77 874
to 135.774 of the Revised Code, and the adoption linked deposit 875
program under sections 135.79 to 135.796 of the ~~Ohio~~ Revised 876
Code, including, but not limited to, the manner in which an 877
eligible lending institution is designated and the linked 878
deposits are placed, held, and collateralized. Participation of 879
eligible lending institutions in those linked deposit programs 880
shall not begin until these rules have been adopted. 881

(C) Notwithstanding any provision of law to the contrary, 882
the treasurer of state may require an eligible lending 883
institution that holds public deposits under sections 135.55 to 884
135.59, 135.61 to 135.67, 135.68 to 135.70, 135.71 to 135.76, 885
135.77 to 135.774, or 135.79 to 135.796 of the Revised Code, and 886
any institution mentioned in section 135.03 of the Revised Code 887
that holds public deposits under sections 135.71 to 135.76 of 888
the Revised Code, to pay interest at a rate not lower than the 889
product of the prevailing interest rate multiplied by the sum of 890
one plus the treasurer's assessment rate. The treasurer may 891
adopt rules necessary for the implementation of this division. 892
The rules shall be adopted in accordance with Chapter 119. of 893
the Revised Code. 894

Sec. 135.81. As used in sections 135.81 to 135.87 of the 895
Revised Code: 896

(A) "Eligible governmental subdivision" means a municipal 897
corporation, port authority created in accordance with section 898
4582.22 of the Revised Code, or county in this state. 899

(B) "Eligible governmental subdivision housing linked 900
deposit program" means any program established pursuant to 901
section 135.80 of the Revised Code by the legislative authority 902

of a municipal corporation, the board of directors of a port 903
authority created in accordance with section 4582.22 of the 904
Revised Code, or the board of county commissioners of a county, 905
in which the program goals address specific housing issues 906
relative to the geographic boundaries of that municipal 907
corporation, port authority, or county. These program goals 908
include, but are not limited to, home improvement, home 909
restoration, energy ~~efficiency~~waste reduction, retention of 910
historic significance, controlling urban sprawl, neighborhood 911
revitalization, affordable housing, home ownership for persons 912
unable to secure conventional financing, urban development, or 913
economic revitalization of a residential area as a result of a 914
natural disaster or other catastrophic occurrence. 915

(C) "Eligible housing linked deposit participant" means 916
any person or small business that meets the requirements set 917
forth in an eligible governmental subdivision housing linked 918
deposit program or set forth by the treasurer of state pursuant 919
to division (B) (2) of section 135.82 of the Revised Code and 920
that is a resident of this state. 921

(D) "Eligible lending institution" means a financial 922
institution meeting all of the following: 923

(1) It is eligible to make commercial loans or residential 924
loans. 925

(2) It is a public depository of state funds under section 926
135.03 of the Revised Code. 927

(3) It agrees to participate in a program to provide 928
housing linked deposits. 929

(E) "Housing linked deposit" means a certificate of 930
deposit or other financial institution instrument, described in 931

section 135.85 of the Revised Code, placed by the treasurer of 932
state with an eligible lending institution, in accordance with 933
division (B) of section 135.84 of the Revised Code, provided 934
that the institution agrees, at the time of the deposit of state 935
funds and for the period of the deposit, to lend the value of 936
the deposit according to the deposit agreement described in 937
section 135.85 of the Revised Code to eligible housing linked 938
deposit participants at a fixed interest rate of up to three 939
hundred basis points below the present borrowing rate applicable 940
to each participant in the absence of approval to participate in 941
the programs described in division (B) of section 135.82 of the 942
Revised Code. 943

(F) "Other financial institution instrument" means a fully 944
collateralized product that otherwise would pay market rates of 945
interest approved by the treasurer of state, for the purpose of 946
providing eligible housing linked deposit participants with the 947
benefits of a housing linked deposit. 948

(G) "Loan" means a contractual agreement under which an 949
eligible lending institution agrees to lend money in the form of 950
an upfront lump sum, a line of credit, or any other reasonable 951
arrangement approved by the treasurer of state. 952

Sec. 135.82. (A) The general assembly finds that there 953
exists in this state a lack of affordable financing options to 954
promote solutions to a number of housing issues, including, but 955
not limited to, home improvement, home restoration, energy 956
~~efficiency~~waste reduction, retention of historic significance, 957
controlling urban sprawl, neighborhood revitalization, 958
affordable housing, home ownership for persons unable to secure 959
conventional financing, urban development, and economic 960
revitalization of a residential area as a result of a natural 961

disaster or other catastrophic occurrence. Accordingly, it is 962
declared to be the public policy of the state through housing 963
linked deposits to create an availability of lower cost funds to 964
inject needed capital into local residential communities. 965

(B) Pursuant to the findings and declarations of division 966
(A) of this section and subject to the amount authorized to be 967
invested in linked deposits pursuant to sections 135.63 and 968
135.631 of the Revised Code, both of the following apply: 969

(1) Housing linked deposits are authorized under which the 970
state partners with eligible governmental subdivisions in 971
accordance with section 135.83 of the Revised Code to provide, 972
pursuant to section 135.84 of the Revised Code, an availability 973
of lower cost funds for lending purposes that materially will 974
contribute to the solutions addressing housing issues, described 975
in division (A) of this section, across the state. 976

(2) In the absence of an eligible governmental subdivision 977
linked deposit program, the treasurer of state may develop an 978
application process and procedures and eligibility requirements 979
for participation in a housing linked deposit program that 980
provides, pursuant to section 135.84 of the Revised Code, an 981
availability of lower cost funds for lending purposes that 982
materially will contribute to the solutions addressing housing 983
issues, described in division (A) of this section, across the 984
state. 985

Sec. 156.01. As used in sections 156.01 to 156.05 of the 986
Revised Code: 987

(A) "Avoided capital costs" means a measured reduction in 988
the cost of future equipment or other capital purchases that 989
results from implementation of one or more energy or water 990

conservation measures, when compared to an established baseline	991
for previous such cost.	992
(B) "Energy conservation measure" means an installation or	993
modification of an installation in, or a remodeling of, an	994
existing building in order to reduce energy consumption and	995
operating costs. The term includes any of the following:	996
(1) Installation or modification of insulation in the	997
building structure and systems within the building;	998
(2) Installation or modification of storm windows and	999
doors, multiglazed windows and doors, and heat absorbing or heat	1000
reflective glazed and coated window and door systems;	1001
installation of additional glazing; reductions in glass area;	1002
and other window and door system modifications that reduce	1003
energy consumption and operating costs;	1004
(3) Installation or modification of automatic energy	1005
control systems;	1006
(4) Replacement or modification of heating, ventilating,	1007
or air conditioning systems;	1008
(5) Application of caulking and weather stripping;	1009
(6) Replacement or modification of lighting fixtures to	1010
increase <u>reduce</u> the energy efficiency <u>waste</u> of the lighting	1011
system without increasing the overall illumination of a building	1012
unless the increase in illumination is necessary to conform to	1013
the applicable state or local building code for the proposed	1014
lighting system;	1015
(7) Installation or modification of energy recovery	1016
systems;	1017
(8) Installation or modification of cogeneration systems	1018

that produce steam or forms of energy such as heat, as well as
electricity, for use primarily within a building or complex of
buildings;

(9) Installation or modification of trigeneration systems
that produce heat and cooling, as well as electricity, for use
primarily within a building or complex of buildings;

(10) Installation or modification of systems that harvest
renewable energy from solar, wind, water, biomass, bio-gas, or
geothermal sources, for use primarily within a building or
complex of buildings;

(11) Retro-commissioning or recommissioning energy-related
systems to verify that they are installed and calibrated to
optimize energy and operational performance within a building or
complex of buildings;

(12) Consolidation, virtualization, and optimization of
computer servers, data storage devices, or other information
technology hardware and infrastructure;

(13) Any other modification, installation, or remodeling
approved by the executive director of the Ohio facilities
construction commission as an energy conservation measure for
one or more buildings owned by either of the following:

(a) The state;

(b) A state institution of higher education as defined in
section 3345.011 of the Revised Code that implements the energy
conservation measure in consultation with the executive
director.

(c) "Energy saving measure" means the acquisition and
installation, by purchase, lease, lease-purchase, lease with an

option to buy, or installment purchase, of an energy 1047
conservation measure and any attendant architectural and 1048
engineering consulting services. 1049

(D) "Energy, water, or wastewater cost savings" means a 1050
measured reduction in, as applicable, the cost of fuel, energy 1051
or water consumption, wastewater production, or stipulated 1052
operation or maintenance resulting from the implementation of 1053
one or more energy or water conservation measures, when compared 1054
to an established baseline for previous such costs, 1055
respectively. 1056

(E) "Operating cost savings" means a measured reduction in 1057
the cost of stipulated operation or maintenance created by the 1058
installation of new equipment or implementation of a new 1059
service, when compared with an established baseline for previous 1060
such stipulated costs. 1061

(F) "Water conservation measure" means an installation or 1062
modification of an installation in, or a remodeling of, an 1063
existing building or the surrounding grounds in order to reduce 1064
water consumption. The term includes any of the following: 1065

(1) Water-conserving fixture, appliance, or equipment, or 1066
the substitution of a nonwater-using fixture, appliance, or 1067
equipment; 1068

(2) Water-conserving, landscape irrigation equipment; 1069

(3) Landscaping measure that reduces storm water runoff 1070
demand and capture and hold applied water and rainfall, 1071
including landscape contouring such as the use of a berm, swale, 1072
or terrace and including the use of a soil amendment, including 1073
compost, that increases the water-holding capacity of the soil; 1074

(4) Rainwater harvesting equipment or equipment to make 1075

use of water collected as part of a storm water system installed	1076
for water quality control;	1077
(5) Equipment for recycling or reuse of water originating	1078
on the premises or from another source, including treated,	1079
municipal effluent;	1080
(6) Equipment needed to capture water for nonpotable uses	1081
from any nonconventional, alternate source, including air	1082
conditioning condensate or gray water;	1083
(7) Any other modification, installation, or remodeling	1084
approved by the executive director of the Ohio facilities	1085
construction commission as a water conservation measure for one	1086
or more buildings or the surrounding grounds owned by either of	1087
the following:	1088
(a) The state;	1089
(b) A state institution of higher education as defined in	1090
section 3345.011 of the Revised Code that implements the water	1091
conservation measure in consultation with the executive	1092
director.	1093
(G) "Water saving measure" means the acquisition and	1094
installation, by the purchase, lease, lease-purchase, lease with	1095
an option to buy, or installment purchases of a water	1096
conservation measure and any attendant architectural and	1097
engineering consulting services.	1098
Sec. 175.01. As used in sections 175.01 to 175.13 of the	1099
Revised Code:	1100
(A) "Bonds" means bonds, notes, debentures, refunding	1101
bonds, refunding notes, and other obligations.	1102
(B) "Down payment assistance" means monetary assistance	1103

for down payment closing costs, and pre-paid expenses directly 1104
related to the purchase of a home. 1105

(C) "Financial assistance" means grants, loans, loan 1106
guarantees, an equity position in a project, and loan subsidies. 1107

(D) "Grant" means funding for which repayment is not 1108
required. 1109

(E) "Homeownership program" means any program for which 1110
the Ohio housing finance agency provides financing, directly or 1111
indirectly, for the purchase of housing for owner-occupancy. 1112

(F) "Housing" means housing for owner-occupancy and 1113
multifamily rental housing. 1114

(G) "Housing development fund" means the housing 1115
development fund created and administered pursuant to section 1116
175.11 of the Revised Code. 1117

(H) "Housing finance agency personal services fund" means 1118
the housing finance agency personal services fund created and 1119
administered pursuant to section 175.051 of the Revised Code. 1120

(I) "Housing for owner-occupancy" means housing that is 1121
intended for occupancy by an owner as a principal residence. 1122
"Housing for owner-occupancy" may be any type of structure and 1123
may be owned in any form of ownership. 1124

(J) "Housing trust fund" means the low- and moderate- 1125
income housing trust fund created and administered pursuant to 1126
Chapter 174. of the Revised Code. 1127

(K) "Improvement" means any alteration, remodeling, 1128
addition, or repair that substantially protects or improves the 1129
basic habitability or energy ~~efficiency~~ waste reduction of 1130
housing. 1131

(L) "Lending institution" means any financial institution 1132
qualified to conduct business in this state, a subsidiary 1133
corporation that is wholly owned by a financial institution 1134
qualified to conduct business in this state, and a mortgage 1135
lender whose regular business is originating, servicing, or 1136
brokering real estate loans and who is qualified to do business 1137
in this state. 1138

(M) "Loan" means any extension of credit or other form of 1139
financing or indebtedness extended directly or indirectly to a 1140
borrower with the expectation that it will be repaid in 1141
accordance with the terms of the underlying loan agreement or 1142
other pertinent document. "Loan" includes financing the Ohio 1143
housing finance agency extends to lending institutions and 1144
indebtedness the agency purchases from lending institutions. 1145

(N) "Loan guarantee" means any agreement in favor of a 1146
lending institution, bondholder, or other lender in which the 1147
credit and resources of the housing finance agency or the 1148
housing trust fund are pledged to secure the payment or 1149
collection of financing extended to a borrower for the 1150
acquisition, construction, improvement, rehabilitation, or 1151
preservation of housing or to refinance any financing previously 1152
extended for those purposes. 1153

(O) "Loan subsidy" means any deposit of funds the Ohio 1154
housing finance agency holds or administers into a lending 1155
institution with the authorization or direction that the income 1156
or revenues the deposit earns, or could have earned at 1157
competitive rates, be applied directly or indirectly to the 1158
benefit of housing assistance or financial assistance. 1159

(P) "Low- and moderate-income persons" means individuals 1160
and families who qualify as low- and moderate-income persons 1161

pursuant to guidelines the agency establishes. 1162

(Q) "Multifamily rental housing" means multiple unit 1163
housing intended for rental occupancy. 1164

(R) "Nonprofit organization" means a nonprofit 1165
organization in good standing and qualified to conduct business 1166
in this state including any corporation whose members are 1167
members of a metropolitan housing authority. 1168

(S) "Owner" means any person who, jointly or severally, 1169
has legal or equitable title to housing together with the right 1170
to control or possess that housing. "Owner" includes a purchaser 1171
of housing pursuant to a land installment contract if that 1172
contract vests possession and maintenance responsibilities in 1173
the purchaser, and a person who has care or control of housing 1174
as executor, administrator, assignee, trustee, or guardian of 1175
the estate of the owner of that housing. 1176

(T) "Security interest" means any lien, encumbrance, 1177
pledge, assignment, mortgage, or other form of collateral the 1178
Ohio housing finance agency holds as security for financial 1179
assistance the agency extends or a loan the agency acquires. 1180

Sec. 185.01. As used in sections 185.01 to 185.15 of the 1181
Revised Code: 1182

(A) "BIPOC" has the same meaning as in section 135.55 of 1183
the Revised Code. 1184

(B) "Energy justice" means the provision of sustainable 1185
energy services and technologies in a manner that does the 1186
following: 1187

(1) Advances the public interest by achieving equity in 1188
social and economic participation in the energy system; 1189

(2) Provides all customers in the state equitable access 1190
to, and the opportunity to benefit from, energy system services 1191
and technologies; 1192

(3) Remediates social, economic, and health burdens on 1193
those who have been historically harmed by the energy system. 1194

(C) "Energy justice principles" include the following: 1195

(1) Equitable access to contracting and employment in 1196
energy projects and regulated utility operations; 1197

(2) Equitable distribution of any unavoidable adverse 1198
environmental impacts associated with fossil fuel energy 1199
facilities development, siting, and operations, including 1200
recommendations for mitigation of the adverse impacts; 1201

(3) Development and implementation of plans and programs 1202
to end and redress historical energy project impacts on 1203
disadvantaged and front line communities; 1204

(4) Objective evaluation and maximum avoidance of 1205
regressive or unjust discriminatory impacts related to rates and 1206
services provided by regulated energy businesses; 1207

(5) Intentional design and implementation of clean and 1208
sustainable energy programs, rates, and services to ensure 1209
equity in access to, and enrollment and participation in, the 1210
programs. 1211

Sec. 185.03. The governor's office of energy justice is 1212
created in the department of development. The governor shall 1213
designate the director of the governor's office of energy 1214
justice, who shall report directly to the office of the 1215
governor. The director may appoint such employees as are 1216
necessary to exercise the powers and duties of the office. 1217

Sec. 185.06. The mission of the governor's office of 1218
energy justice is to ensure that decisions and actions made by 1219
the public utilities commission and other relevant agencies are 1220
guided by and benefit from energy justice principles and advance 1221
energy justice goals for all residential consumers and 1222
participants in the job training, workforce development, and 1223
accelerator programs established under sections 185.20 to 185.23 1224
of the Revised Code. This requirement applies to decisions and 1225
actions pertaining to energy issues and energy-related 1226
activities established on behalf of residential consumers in the 1227
state and program participants. 1228

Sec. 185.09. For each fiscal year through fiscal year 1229
2031, the general assembly shall ensure that the governor's 1230
office of energy justice has a budget adequate for the operation 1231
of the office and sufficient for it to perform its critical 1232
missions and to achieve the energy transformation described in 1233
section 4928.021 of the Revised Code. 1234

Sec. 185.12. (A) There is hereby created in the state 1235
treasury the governor's office of energy justice operating fund 1236
for the sole purpose of maintaining and administering the 1237
governor's office of energy justice. 1238

(B) An amount equal to the appropriation to the governor's 1239
office of energy justice in each fiscal year shall be 1240
apportioned among and assessed against each public utility 1241
within this state, as defined in section 4911.01 of the Revised 1242
Code. 1243

(1) The amount of an assessment shall be determined by 1244
first computing the assessment as though it were to be made in 1245
proportion to the intrastate gross earnings or receipts of the 1246
public utility for the calendar year next preceding that in 1247

which the assessment is made, excluding earnings or receipts 1248
from sales to other public utilities for resale. For the first 1249
computation of the assessment the office may do the following: 1250

(a) Exclude any amount of a public utility's intrastate 1251
gross earnings or receipts that were overreported in a prior 1252
year; 1253

(b) Include any amount of a public utility's intrastate 1254
gross earnings or receipts underreported in a prior year; 1255

(c) In addition to whatever penalties apply under the 1256
Revised Code to underreporting under division (A) (1) (b) of this 1257
section, the office shall assess the public utility interest at 1258
the rate stated in division (A) of section 1343.01 of the 1259
Revised Code and shall deposit any interest collected under this 1260
division into the governor's office of energy justice operating 1261
fund. 1262

(2) The final computation of the assessment shall consist 1263
of imposing upon each public utility whose assessment under the 1264
first computation would have been one hundred dollars or less an 1265
assessment of one hundred dollars and recomputing the assessment 1266
of the remaining companies by apportioning an amount equal to 1267
the appropriation to the office in each fiscal year less the 1268
total amount to be recovered from those paying the minimum 1269
assessment, in proportion to the intrastate gross earnings or 1270
receipts of the remaining companies for the calendar year next 1271
preceding that in which the assessments are made, excluding 1272
earnings or receipts from sales to other public utilities for 1273
resale. 1274

(a) In the case of an assessment based on intrastate gross 1275
receipts under this section against a public utility that is an 1276

electric utility as defined in section 4928.01 of the Revised 1277
Code, or an electric services company, electric cooperative, or 1278
governmental aggregator subject to certification under section 1279
4928.08 of the Revised Code, such receipts shall be those 1280
specified in the utility's, company's, cooperative's, or 1281
aggregator's most recent report of intrastate gross receipts and 1282
sales of kilowatt hours of electricity, filed with the public 1283
utilities commission pursuant to division (F) of section 4928.06 1284
of the Revised Code, and verified by the commission. 1285

(b) In the case of an assessment based on intrastate gross 1286
receipts under this section against a retail natural gas 1287
supplier or governmental aggregator subject to certification 1288
under section 4929.20 of the Revised Code, such receipts shall 1289
be those specified in the supplier's or aggregator's most recent 1290
report of intrastate gross receipts and sales of hundred cubic 1291
feet of natural gas, filed with the commission pursuant to 1292
division (B) of section 4929.23 of the Revised Code, and 1293
verified by the commission. However, no such retail natural gas 1294
supplier or such governmental aggregator serving or proposing to 1295
serve customers of a particular natural gas company, as defined 1296
in section 4929.01 of the Revised Code, shall be assessed under 1297
this section until after the commission, pursuant to section 1298
4905.26 or 4909.18 of the Revised Code, has removed from the 1299
base rates of the natural gas company the amount of assessment 1300
under this section that is attributable to the value of 1301
commodity sales service, as defined in section 4929.01 of the 1302
Revised Code, in the base rates paid by those customers of the 1303
company that do not purchase that service from the natural gas 1304
company. 1305

(C) Through calendar year 2022, on or before the first day 1306
of October in each year, the office shall notify each public 1307

utility of the sum assessed against it, whereupon payment shall 1308
be made to the office, which shall deposit it into the state 1309
treasury to the credit of the governor's office of energy 1310
justice operating fund. 1311

Beginning in calendar year 2023, on or before the 1312
fifteenth day of May in each year, the office shall notify each 1313
public utility that had a sum assessed against it for the 1314
current fiscal year of more than one thousand dollars that fifty 1315
per cent of that amount shall be paid to the office by the 1316
twentieth day of June of that year as an initial payment of the 1317
assessment against the company for the next fiscal year. On or 1318
before the first day of October in each year, the office shall 1319
make a final determination of the sum of the assessment against 1320
each public utility and shall notify each public utility of the 1321
sum assessed against it. The office shall deduct from the 1322
assessment for each public utility any initial payment received. 1323
Payment of the assessment shall be made to the office by the 1324
first day of November of that year. The office shall deposit the 1325
payments received into the state treasury to the credit of the 1326
governor's office of energy justice operating fund. 1327

Any such amounts paid into the fund but not expended by 1328
the office shall be credited ratably by the office to the public 1329
utilities that pay more than the minimum assessment, according 1330
to the respective portions of such sum assessable against them 1331
for the ensuing fiscal year, after first deducting any deficits 1332
accumulated from prior years. The assessments for such fiscal 1333
year shall be reduced correspondingly. 1334

(D) As used in this section, "public utility" includes: 1335

(1) In addition to an electric utility as defined in 1336
section 4928.01 of the Revised Code, an electric services 1337

company, an electric cooperative, or a governmental aggregator 1338
subject to certification under section 4928.08 of the Revised 1339
Code, to the extent of the company's, cooperative's, or 1340
aggregator's engagement in the business of supplying or 1341
arranging for the supply in this state of any retail electric 1342
service for which it must be so certified; 1343

(2) In addition to a natural gas company as defined in 1344
section 4929.01 of the Revised Code, a retail natural gas 1345
supplier or governmental aggregator subject to certification 1346
under section 4929.20 of the Revised Code, to the extent of the 1347
supplier's or aggregator's engagement in the business of 1348
supplying or arranging for the supply in this state of any 1349
competitive retail natural gas service for which it must be 1350
certified. 1351

Sec. 185.13. Not later than December 31, 2030, the office 1352
of energy justice shall issue a report to the speaker and 1353
minority leader of the house of representatives, the president 1354
and minority leader of the senate, and the chairpersons of the 1355
committees of the house of representatives and the senate with 1356
primary jurisdiction over energy and utility matters. The report 1357
shall include a description of the activities of the office 1358
since the effective date of this section, an assessment of the 1359
effectiveness of the office, and an explanation of what more 1360
needs to be done for the office to fulfill its mission described 1361
under section 185.06 of the Revised Code. 1362

Sec. 185.15. (A) As used in this section: 1363

(1) "Report" means any formal document, including written 1364
comments and testimony, filed by the governor's office of energy 1365
justice in a regulatory proceeding of the public utilities 1366
commission or the power siting board that discusses and makes 1367

recommendations regarding the impact of the proposals contained 1368
in the proceeding on energy justice principles. 1369

(2) "Proceeding" includes any formal rule-making 1370
procedure, application, contested case, rate case, or any other 1371
official matter considered by the commission or power siting 1372
board regardless of whether it is formally docketed in the 1373
commission's docketing information system. 1374

(B) The office shall serve as a primary advocate for 1375
energy justice in matters before the commission and for other 1376
agencies upon request to address issues relating to the duties 1377
of the office. 1378

(C) The office shall conduct outreach to residential 1379
customers and community representatives and organizations in 1380
order to ensure that it benefits from the most timely and 1381
relevant information about how energy actions and decisions 1382
impact energy justice and energy justice principles. 1383

(D) The office shall exercise its discretion regarding its 1384
participation in commission proceedings. At a minimum, it shall 1385
participate in proceedings in which there is a significant issue 1386
impacting energy justice principles. Participation in 1387
proceedings shall be through the filing of a report regarding 1388
the matters at issue in the proceeding and where necessary, 1389
sponsoring a witness on the report, that will be represented by 1390
the office. At its discretion, the office also may file a report 1391
in a board proceeding and provide a witness to the proceeding. 1392

(E) The office may develop and adopt rules in accordance 1393
with Chapter 119. of the Revised Code and participate in other 1394
commission and board actions and proceedings to address issues 1395
of energy justice principles. 1396

Sec. 185.16. As used in sections 185.16 to 185.25 of the 1397
Revised Code: 1398

"Environmental justice community" means an area in this 1399
state that is disproportionately and adversely impacted by poor 1400
air quality and climate change as compared to other areas. 1401

"Just transition community" means an area in this state 1402
that is adversely impacted by the closure of an electric 1403
generating facility or a decline in the extractive fossil fuel 1404
industry. 1405

"Minority" means an individual who is a member of one of 1406
the following economically disadvantaged groups: Blacks or 1407
African Americans, American Indians, Hispanics or Latinos, and 1408
Asians. 1409

"Training provider" means a community-based organization 1410
that has entered into a contract with the director of the 1411
governor's office of energy justice under section 185.19 of the 1412
Revised Code. 1413

Sec. 185.17. Not later than one hundred twenty days after 1414
the effective date of this section, or as soon as practicable 1415
thereafter, the director of the governor's office of energy 1416
justice shall adopt rules for and implement the programs created 1417
under sections 185.20 to 185.23 of the Revised Code. 1418

The director shall adopt rules in accordance with Chapter 1419
119. of the Revised Code to implement and administer the 1420
programs. 1421

Sec. 185.18. (A) Not later than one hundred twenty days 1422
after the effective date of this section, or as soon as 1423
practicable thereafter, the director of the governor's office of 1424
energy justice shall establish at least fifteen Ohio clean 1425

energy incubators throughout this state in any of the following 1426
locations: 1427

(1) A community that has a high concentration of 1428
minorities; 1429

(2) A community with low income; 1430

(3) An environmental justice community; 1431

(4) A just transition community; 1432

(5) A community that has a high concentration of 1433
individuals who are available for work and who are underserved 1434
by another incubator location. 1435

(B) The director shall operate the programs created under 1436
sections 185.20 to 185.23 of the Revised Code at the incubators 1437
established under division (A) of this section. 1438

(C) The director shall adopt rules pursuant to section 1439
185.17 of the Revised Code that establish criteria under which 1440
the director shall determine whether an area in this state is 1441
considered one of the communities described in divisions (A) (1) 1442
to (5) of this section. 1443

Sec. 185.19. Not later than one year after the effective 1444
date of this section, or as soon as practicable thereafter, the 1445
director of the governor's office of energy justice, in 1446
accordance with the competitive selection procedure of Chapter 1447
125. of the Revised Code, shall enter into a contract with a 1448
community-based organization to provide training under the 1449
programs created under sections 185.20 to 185.23 of the Revised 1450
Code for a period of five years. 1451

At the end of the five-year period, and every five years 1452
thereafter, the director, in accordance with the competitive 1453

selection procedure of Chapter 125. of the Revised Code, shall 1454
enter into a contract with a community-based organization to 1455
provide training under the programs for a period of five years. 1456

A community-based organization awarded a contract under 1457
this section may contract with a subcontractor to provide 1458
training services under the programs. A contract or proposed 1459
contract between a community-based organization and a 1460
subcontractor is subject to any applicable provisions governing 1461
subcontractors contained in a contract between the director and 1462
the community-based organization. 1463

Sec. 185.20. (A) The clean jobs training program is 1464
created to prepare participants for occupations in the clean 1465
energy industry, including the renewable energy and energy waste 1466
reduction sectors. The director of the governor's office of 1467
energy justice shall administer the program. 1468

(B) (1) The following individuals are eligible to 1469
participate in the program: 1470

(a) An individual who is aging out of foster care; 1471

(b) An individual who is a minority; 1472

(c) A member of an environmental justice community; 1473

(d) A member of a just transition community; 1474

(e) A member of a community with low income; 1475

(f) An individual released from custody of the department 1476
of rehabilitation and correction within six months after 1477
applying to participate in the program. 1478

(2) An eligible individual who wishes to participate in 1479
the program shall apply to the director on a form prescribed by 1480

the director. In selecting participants, the director shall 1481
prioritize applications of individuals who are aging out of 1482
foster care. 1483

(C) (1) Training under the program may be provided by a 1484
training provider, and the director may establish an 1485
apprenticeship program for purposes of providing training to 1486
participants. An apprenticeship program established under this 1487
division shall comply with the curriculum requirements developed 1488
under division (D) of this section. 1489

(2) The director shall ensure that all of the following 1490
are available to a participant: 1491

(a) Transportation to and from an incubator location; 1492

(b) Childcare support; 1493

(c) Career counseling during the program and for a period 1494
of one year after the participant graduates from the program. 1495

(D) (1) Not later than one hundred twenty days after the 1496
effective date of this section, or as soon as practicable 1497
thereafter, the director shall convene a group of stakeholders 1498
described in division (D) (3) of this section to develop a 1499
curriculum for the program. The group shall include in the 1500
curriculum a framework with content that provides a program 1501
participant with a standard set of skills that allows the 1502
participant to pursue an occupation in the clean energy industry 1503
or in the general construction and building trades. A training 1504
provider shall comply with the curriculum requirements to 1505
receive any funds appropriated to provide training services 1506
under the program. 1507

(2) Not later than three years after the date the 1508
curriculum is developed, and not later than every three years 1509

thereafter, the director shall convene a group of stakeholders 1510
described in division (D) (3) of this section to review and 1511
update the curriculum to ensure it reflects the best practices 1512
with respect to the technological and other needs of the clean 1513
energy industry. For purposes of updating the curriculum, the 1514
director is not required to convene a stakeholder group that is 1515
composed of the same persons as any previously convened group. 1516

(3) Members of each stakeholder group shall include all of 1517
the following: 1518

(a) The director of the governor's office of energy 1519
justice or the director's designee; 1520

(b) The director of job and family services or the 1521
director's designee; 1522

(c) The superintendent of public instruction or the 1523
superintendent's designee; 1524

(d) A representative from a labor union and the building 1525
trades; 1526

(e) A representative from a community organization; 1527

(f) A representative from a non-profit organization; 1528

(g) A member of a community that has a high concentration 1529
of minorities; 1530

(h) A member of an environmental justice community; 1531

(i) A member of a just transition community; 1532

(j) A member of a community with low income; 1533

(k) A representative from an organization that provides 1534
opportunities in clean energy occupations. 1535

Sec. 185.21. (A) The Ohio jumpstart clean jobs training 1536
program is created. The director of the governor's office of 1537
energy justice, in collaboration with the director of 1538
rehabilitation and correction, shall administer the program at 1539
each state correctional institution in coordination with, to the 1540
extent practicable, existing job training programs administered 1541
at each institution. 1542

(B) An individual is eligible to participate in the 1543
program if the individual is an offender who is serving a term 1544
of imprisonment under the custody of the department of 1545
rehabilitation and correction and is expected to be released 1546
from incarceration within one year after the date of applying to 1547
participate or completing the program. 1548

(C) Under the program, a training provider shall do both 1549
of the following: 1550

(1) Prepare participants for an occupation in the clean 1551
energy industry, including the renewable and energy waste 1552
reduction sectors; 1553

(2) Comply, to the extent practicable, with the curriculum 1554
developed under section 185.20 of the Revised Code. 1555

(D) The director of the governor's office of energy 1556
justice, in adopting rules pursuant to section 185.17 of the 1557
Revised Code to administer the program created under this 1558
section, shall consult with the director of rehabilitation and 1559
correction. 1560

Sec. 185.22. (A) As used in this section, "minority 1561
business" means an individual who is a resident of this state 1562
and owns and controls a business, or a partnership, corporation, 1563
or joint venture of any kind that is owned and controlled by an 1564

individual or individuals who are minorities and residents of 1565
this state. 1566

(B) The clean energy entrepreneurs program is created. The 1567
director of the governor's office of energy justice shall 1568
administer the program. To participate in the program, a 1569
business shall be a newly established small minority business in 1570
the clean energy industry, including in the energy waste 1571
reduction, transit, and electrification sectors and the solar, 1572
wind, and other renewable energy sectors. 1573

(C) The director shall make all of the following available 1574
to a participating business: 1575

(1) Low-interest loans, including loans through the Ohio 1576
clean energy jobs and justice linked deposit program created 1577
under sections 135.55 to 135.59 of the Revised Code; 1578

(2) Mentoring, training, and business development and 1579
planning assistance; 1580

(3) Assistance in obtaining financial assurance, including 1581
bonding and insurance; 1582

(4) Assistance in obtaining any applicable license, 1583
permit, or certification; 1584

(5) Assistance in preparing a contract bid and an 1585
application for project funding; 1586

(6) Compliance training with respect to the requirements 1587
of sections 4115.03 to 4115.16 of the Revised Code; 1588

(7) Administrative support with respect to the resources 1589
and services listed in divisions (C)(1) to (6) of this section. 1590

(D) The director shall adopt rules pursuant to section 1591

185.17 of the Revised Code that prescribe both of the following: 1592

(1) Eligibility requirements for a newly established small minority business to participate in the program; 1593
1594

(2) Program requirements that, on satisfying those requirements, enables a participating business to be recognized as an approved clean energy contractor. 1595
1596
1597

Sec. 185.23. (A) The BIPOC clean energy contractor accelerator is created. The director of the governor's office of energy justice shall administer the accelerator. A business that is recognized as an approved clean energy contractor by meeting the requirements the director prescribes by rule pursuant to division (D) of section 185.22 of the Revised Code is eligible to participate in the programs offered through the accelerator. 1598
1599
1600
1601
1602
1603
1604

(B) The director shall make all of the following available to a participating business: 1605
1606

(1) Monthly, personalized coaching sessions to assist a participating business with preparing a five-year business plan, contract bid, and application for project funding; 1607
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(2) A two-year mentorship program that matches a participating business with a qualified business that has had success in the clean energy industry; 1610
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1612

(3) Low-interest loans, including loans through the Ohio clean energy jobs and justice linked deposit program under sections 135.55 to 135.59 of the Revised Code; 1613
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(4) Grants of not more than one million dollars. 1616

Sec. 185.24. The director of the governor's office of energy justice and training providers shall engage in community education and outreach regarding the opportunities available 1617
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1619

through the programs created under sections 185.20 to 185.23 of 1620
the Revised Code in communities where the incubators established 1621
under section 185.18 of the Revised Code are located. 1622

The director shall engage in community education and 1623
outreach to inform eligible businesses, potential clients of 1624
participating businesses, and community partners about the clean 1625
energy entrepreneurs program created under section 185.22 of the 1626
Revised Code and about the opportunities available in the clean 1627
energy industry in this state. 1628

Sec. 185.25. Not later than ninety days after the 1629
effective date of this section, or as soon as practicable 1630
thereafter, the director of the governor's office of energy 1631
justice shall establish a clean energy justice task force. The 1632
task force shall develop objective accountability and feedback 1633
mechanisms that generate quantitative data to measure whether 1634
progress is being made in this state toward an increase in clean 1635
energy occupations and to measure the success rate of 1636
contracting efforts by participants of the programs created 1637
under sections 185.20 to 185.23 of the Revised Code. 1638

Sec. 185.30. As used in sections 185.30 to 185.34 of the 1639
Revised Code: 1640

(A) "Carbon dioxide equivalent" means a unit of 1641
measurement denoting the amount of emissions from a greenhouse 1642
gas, expressed as the amount of carbon dioxide by weight that 1643
produces the same global warming impact. 1644

(B) "Fossil fuel generating plant" means an electric 1645
generating unit or a cogenerating unit that produces electricity 1646
using fossil fuels. 1647

(C) "Payment period" means the three-month period of time 1648

during which emissions are measured for the purpose of a 1649
quarterly fee calculation. 1650

(D) "Title V permit" has the same meaning as in section 1651
3704.01 of the Revised Code. 1652

Sec. 185.31. (A) There is hereby created in the state 1653
treasury the greenhouse gases pollution fund. The fund shall 1654
consist of money from energy community reinvestment fees 1655
collected under section 185.32 of the Revised Code. All 1656
investment earnings of the fund shall be credited to the fund. 1657

(B) Money in the fund shall be used to pay for any 1658
expenses incurred by the office of energy justice to implement 1659
the programs created under this chapter. 1660

Sec. 185.32. (A) Beginning on June 1, 2022, the director 1661
of environmental protection shall charge the owner of a fossil 1662
fuel generating plant an energy community reinvestment fee, 1663
calculated in accordance with section 185.33 of the Revised 1664
Code. Not later than September 1, 2022, and every three months 1665
thereafter on the first day of the month, the director shall 1666
notify each fossil fuel generating plant owner of the quarterly 1667
fee amount that a plant owner must pay to the director. 1668

(B) The director shall deposit all energy community 1669
reinvestment fees into the greenhouse gases pollution fund 1670
created in section 185.31 of the Revised Code. 1671

Sec. 185.33. (A) The director of environmental protection 1672
shall calculate the energy community reinvestment fee that an 1673
owner of a fossil fuel generating plant must pay in accordance 1674
with the following: 1675

(1) The director shall determine the plant's total 1676
emissions of carbon dioxide, methane, and nitrous oxide measured 1677

in carbon dioxide equivalent tons. 1678

(2) The director shall calculate the fee due for each 1679
payment period by dividing a plant's total emissions of carbon 1680
dioxide equivalents in tons by the total emissions of carbon 1681
dioxide equivalents in tons of all fossil fuel generating plants 1682
subject to the energy community reinvestment fee and multiplying 1683
that amount by the portion of the annual revenue requirements 1684
established in division (B) of this section. 1685

(B) Not later than June 1, 2022, and not later than the 1686
first day of June of each year thereafter, the director of the 1687
governor's office of energy justice shall submit a notification 1688
to the director of environmental protection for the purpose of 1689
implementing the energy community reinvestment fee. The 1690
notification shall include both of the following: 1691

(1) The revenue and spending requirements for the programs 1692
identified under this chapter for the upcoming fiscal year; 1693

(2) The projected spending for all program years through 1694
fiscal year 2036. 1695

The projected revenue and spending required for any 1696
program year shall be at least one hundred million dollars per 1697
year for all calendar years that the Ohio electric sector 1698
generates greenhouse gas emissions. 1699

Sec. 185.34. (A) The owner of a fossil fuel generating 1700
plant shall pay the energy community reinvestment fee calculated 1701
by the director of environmental protection under section 185.33 1702
of the Revised Code to the director not later than thirty days 1703
after the close of each payment period, as specified by the 1704
director. 1705

(B) The director shall issue a warning to the owner of a 1706

fossil fuel generating plant that does not pay the energy 1707
community reinvestment fee within ninety days after the due date 1708
established by the director. If the owner fails to pay the fee 1709
within sixty days after receipt of a warning, the director may, 1710
by written notice, suspend or revoke the plant's Title V permit. 1711

Sec. 307.041. (A) As used in this section, "energy 1712
conservation measure" means an installation or modification of 1713
an installation in, or remodeling of, an existing building, to 1714
reduce energy consumption. "Energy conservation measure" 1715
includes the following: 1716

(1) Insulation of the building structure and of systems 1717
within the building; 1718

(2) Storm windows and doors, multiglazed windows and 1719
doors, heat-absorbing or heat-reflective glazed and coated 1720
window and door systems, additional glazing, reductions in glass 1721
area, and other window and door system modifications that reduce 1722
energy consumption; 1723

(3) Automatic energy control systems; 1724

(4) Heating, ventilating, or air conditioning system 1725
modifications or replacements; 1726

(5) Caulking and weatherstripping; 1727

(6) Replacement or modification of lighting fixtures to 1728
~~increase~~reduce the energy ~~efficiency~~waste of the system 1729
without increasing the overall illumination of a facility, 1730
unless such an increase in illumination is necessary to conform 1731
to the applicable state or local building code for the proposed 1732
lighting system; 1733

(7) Energy recovery systems; 1734

(8) Cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a building or complex of buildings;

(9) Acquiring, constructing, furnishing, equipping, improving the site of, and otherwise improving a central utility plant to provide heating and cooling services to a building or buildings together with distribution piping and ancillary distribution controls, equipment, and related facilities from the central utility plant to the building or buildings;

(10) Any other modification, installation, or remodeling approved by the board of county commissioners as an energy conservation measure.

(B) For the purpose of evaluating county buildings for energy conservation measures, a county may contract with an architect, professional engineer, energy services company, contractor, or other person experienced in the design and implementation of energy conservation measures for an energy conservation report. The report shall include all of the following:

(1) Analyses of the buildings' energy needs and recommendations for building installations, modifications of existing installations, or building remodeling that would significantly reduce energy consumption in the buildings owned by that county;

(2) Estimates of all costs of those installations, those modifications, or that remodeling, including costs of design, engineering, installation, maintenance, and repairs;

(3) Estimates of the amounts by which energy consumption could be reduced;

(4) The interest rate used to estimate the costs of any energy conservation measures that are to be financed;	1764 1765
(5) The average system life of the energy conservation measures;	1766 1767
(6) Estimates of the likely savings that will result from the reduction in energy consumption over the average system life of the energy conservation measure, including the methods used to estimate the savings;	1768 1769 1770 1771
(7) A certification under the seal of a registered professional engineer that the energy conservation report uses reasonable methods of analysis and estimation.	1772 1773 1774
(C) (1) A county desiring to implement energy conservation measures may proceed under either of the following methods:	1775 1776
(a) Using a report or any part of an energy conservation report prepared under division (B) of this section, advertise for bids and, except as otherwise provided in this section, comply with sections 307.86 to 307.92 of the Revised Code;	1777 1778 1779 1780
(b) Notwithstanding sections 307.86 to 307.92 of the Revised Code, request proposals from at least three vendors for the implementation of energy conservation measures. A request for proposals shall require the installer that is awarded a contract under division (C) (2) (b) of this section to prepare an energy conservation report in accordance with division (B) of this section. Prior to sending any installer of energy conservation measures a copy of any request for proposals, the county shall advertise its intent to request proposals for the installation of energy conservation measures in a newspaper of general circulation in the county once a week for two consecutive weeks or as provided in section 7.16 of the Revised	1781 1782 1783 1784 1785 1786 1787 1788 1789 1790 1791 1792

Code. The notice shall state that the county intends to request 1793
proposals for the installation of energy conservation measures; 1794
indicate the date, which shall be at least ten days after the 1795
second publication, on which the request for proposals will be 1796
mailed to installers of energy conservation measures; and state 1797
that any installer of energy conservation measures interested in 1798
receiving the request for proposals shall submit written notice 1799
to the county not later than noon of the day on which the 1800
request for proposals will be mailed. 1801

(2) (a) Upon receiving bids under division (C) (1) (a) of 1802
this section, the county shall analyze them and select the 1803
lowest and best bid or bids most likely to result in the 1804
greatest energy savings considering the cost of the project and 1805
the county's ability to pay for the improvements with current 1806
revenues or by financing the improvements. 1807

(b) Upon receiving proposals under division (C) (1) (b) of 1808
this section, the county shall analyze the proposals and the 1809
installers' qualifications and select the most qualified 1810
installer to prepare an energy conservation report in accordance 1811
with division (B) of this section. After receipt and review of 1812
the energy conservation report, the county may award a contract 1813
to the selected installer to install the energy conservation 1814
measures that are most likely to result in the greatest energy 1815
savings considering the cost of the project and the county's 1816
ability to pay for the improvements with current revenues or by 1817
financing the improvements. 1818

(c) The awarding of a contract to install energy 1819
conservation measures under division (C) (2) (a) or (b) of this 1820
section shall be conditioned upon a finding by the contracting 1821
authority that the amount of money spent on the energy 1822

conservation measures is not likely to exceed the amount of 1823
money the county would save in energy, operating, maintenance, 1824
and avoided capital costs over the average system life of the 1825
energy conservation measures as specified in the energy 1826
conservation report. In making such a finding, the contracting 1827
authority may take into account increased costs due to inflation 1828
as shown in the energy conservation report. Nothing in this 1829
division prohibits a county from rejecting all bids or proposals 1830
under division (C) (1) (a) or (b) of this section or from 1831
selecting more than one bid or proposal. 1832

(D) A board of county commissioners may enter into an 1833
installment payment contract for the purchase and installation 1834
of energy conservation measures. Provisions of installment 1835
payment contracts that deal with interest charges and financing 1836
terms shall not be subject to the competitive bidding 1837
requirements of section 307.86 of the Revised Code, and shall be 1838
on the following terms: 1839

(1) Not less than a specified percentage, as determined 1840
and approved by the board of county commissioners, of the costs 1841
of the contract shall be paid within two years from the date of 1842
purchase. 1843

(2) The remaining balance of the costs of the contract 1844
shall be paid within the lesser of the average system life of 1845
the energy conservation measures as specified in the energy 1846
conservation report or thirty years. 1847

(E) The board of county commissioners may issue the notes 1848
of the county specifying the terms of a purchase of energy 1849
conservation measures under this section and securing any 1850
deferred payments provided for in division (D) of this section. 1851
The notes shall be payable at the times provided and bear 1852

interest at a rate not exceeding the rate determined as provided 1853
in section 9.95 of the Revised Code. The notes may contain an 1854
option for prepayment and shall not be subject to Chapter 133. 1855
of the Revised Code. Revenues derived from local taxes or 1856
otherwise for the purpose of conserving energy or for defraying 1857
the current operating expenses of the county may be pledged and 1858
applied to the payment of interest and the retirement of the 1859
notes. The notes may be sold at private sale or given to the 1860
contractor under an installment payment contract authorized by 1861
division (D) of this section. 1862

(F) Debt incurred under this section shall not be included 1863
in the calculation of the net indebtedness of a county under 1864
section 133.07 of the Revised Code. 1865

Sec. 505.264. (A) As used in this section, "energy 1866
conservation measure" means an installation or modification of 1867
an installation in, or remodeling of, an existing building, to 1868
reduce energy consumption. It includes the following: 1869

(1) Insulation of the building structure and of systems 1870
within the building; 1871

(2) Storm windows and doors, multiglazed windows and 1872
doors, heat-absorbing or heat-reflective glazed and coated 1873
window and door systems, additional glazing, reductions in glass 1874
area, and other window and door system modifications that reduce 1875
energy consumption; 1876

(3) Automatic energy control systems; 1877

(4) Heating, ventilating, or air conditioning system 1878
modifications or replacements; 1879

(5) Caulking and weatherstripping; 1880

(6) Replacement or modification of lighting fixtures to 1881
~~increase~~reduce the energy ~~efficiency~~waste of the system 1882
without increasing the overall illumination of a facility, 1883
unless an increase in illumination is necessary to conform to 1884
the applicable state or local building code for the proposed 1885
lighting system; 1886

(7) Energy recovery systems; 1887

(8) Cogeneration systems that produce steam or forms of 1888
energy such as heat, as well as electricity, for use primarily 1889
within a building or complex of buildings; 1890

(9) Any other modification, installation, or remodeling 1891
approved by the board of township trustees as an energy 1892
conservation measure. 1893

(B) For the purpose of evaluating township buildings for 1894
energy conservation measures, a township may contract with an 1895
architect, professional engineer, energy services company, 1896
contractor, or other person experienced in the design and 1897
implementation of energy conservation measures for a report that 1898
analyzes the buildings' energy needs and presents 1899
recommendations for building installations, modifications of 1900
existing installations, or building remodeling that would 1901
significantly reduce energy consumption in the buildings owned 1902
by that township. The report shall include estimates of all 1903
costs of the installations, modifications, or remodeling, 1904
including costs of design, engineering, installation, 1905
maintenance, and repairs, and estimates of the amounts by which 1906
energy consumption could be reduced. 1907

(C) A township desiring to implement energy conservation 1908
measures may proceed under either of the following methods: 1909

(1) Using a report or any part of a report prepared under 1910
division (B) of this section, advertise for bids and comply with 1911
the bidding procedures set forth in sections 307.86 to 307.92 of 1912
the Revised Code; 1913

(2) Request proposals from at least three vendors for the 1914
implementation of energy conservation measures. Prior to sending 1915
any installer of energy conservation measures a copy of any such 1916
request, the township shall advertise its intent to request 1917
proposals for the installation of energy conservation measures 1918
in a newspaper of general circulation in the township once a 1919
week for two consecutive weeks or as provided in section 7.16 of 1920
the Revised Code. The notice shall state that the township 1921
intends to request proposals for the installation of energy 1922
conservation measures; indicate the date, which shall be at 1923
least ten days after the second publication, on which the 1924
request for proposals will be mailed to installers of energy 1925
conservation measures; and state that any installer of energy 1926
conservation measures interested in receiving the request for 1927
proposal shall submit written notice to the township not later 1928
than noon of the day on which the request for proposal will be 1929
mailed. 1930

Upon receiving the proposals, the township shall analyze 1931
them and select the proposal or proposals most likely to result 1932
in the greatest energy savings considering the cost of the 1933
project and the township's ability to pay for the improvements 1934
with current revenues or by financing the improvements. The 1935
awarding of a contract to install energy conservation measures 1936
under division (C) (2) of this section shall be conditioned upon 1937
a finding by the township that the amount of money spent on 1938
energy savings measures is not likely to exceed the amount of 1939
money the township would save in energy and operating costs over 1940

ten years or a lesser period as determined by the township or, 1941
in the case of contracts for cogeneration systems, over five 1942
years or a lesser period as determined by the township. Nothing 1943
in this section prohibits a township from rejecting all 1944
proposals or from selecting more than one proposal. 1945

(D) A board of township trustees may enter into an 1946
installment payment contract for the purchase and installation 1947
of energy conservation measures. Any provisions of those 1948
installment payment contracts that deal with interest charges 1949
and financing terms shall not be subject to the competitive 1950
bidding procedures of section 307.86 of the Revised Code. Unless 1951
otherwise approved by a resolution of the board, an installment 1952
payment contract entered into by a board of township trustees 1953
under this section shall require the board to contract in 1954
accordance with the procedures set forth in section 307.86 of 1955
the Revised Code for the installation, modification, or 1956
remodeling of energy conservation measures pursuant to this 1957
section. 1958

(E) The board may issue securities of the township 1959
specifying the terms of the purchase and securing the deferred 1960
payments, payable at the times provided and bearing interest at 1961
a rate not exceeding the rate determined as provided in section 1962
9.95 of the Revised Code. The maximum maturity of the securities 1963
shall be as provided in division (B) (7) (g) of section 133.20 of 1964
the Revised Code. The securities may contain an option for 1965
prepayment and shall not be subject to Chapter 133. of the 1966
Revised Code. Revenues derived from local taxes or otherwise, 1967
for the purpose of conserving energy or for defraying the 1968
current operating expenses of the township, may be applied to 1969
the payment of interest and the retirement of the securities. 1970
The securities may be sold at private sale or given to the 1971

contractor under the installment payment contract authorized by	1972
division (D) of this section.	1973
(F) Debt incurred under this section shall not be included	1974
in the calculation of the net indebtedness of a township under	1975
section 133.09 of the Revised Code.	1976
Sec. 717.02. (A) As used in this section:	1977
(1) "Energy conservation measure" means the construction	1978
of, installation or modification of an installation in, or	1979
remodeling of, a new or existing building or infrastructure, to	1980
reduce energy consumption. It includes:	1981
(a) Insulation of the building structure and of systems	1982
within the building;	1983
(b) Storm windows and doors, multiglazed windows and	1984
doors, heat-absorbing or heat-reflective glazed and coated	1985
window and door systems, additional glazing, reductions in glass	1986
area, and other window and door system modifications that reduce	1987
energy consumption;	1988
(c) Automatic energy control systems;	1989
(d) Heating, ventilating, or air conditioning system	1990
modifications or replacements;	1991
(e) Caulking and weatherstripping;	1992
(f) Replacement or modification of lighting fixtures to	1993
increase <u>reduce</u> the energy efficiency <u>waste</u> of the system	1994
without increasing the overall illumination of a facility,	1995
unless such an increase in illumination is necessary to conform	1996
to the applicable state or local building code for the proposed	1997
lighting system;	1998

(g) Energy recovery systems;	1999
(h) Cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a building or complex of buildings;	2000 2001 2002
(i) Acquiring, constructing, furnishing, equipping, improving the site of, or otherwise improving a central utility plant to provide heating and cooling services to a building or building infrastructure together with distribution piping and ancillary distribution controls, equipment, and related facilities from the central utility plant to the building or building infrastructure;	2003 2004 2005 2006 2007 2008 2009
(j) Meter replacement, installation of an automatic meter reading system, or any other construction, modification, installation, or remodeling of water, electric, gas, or any other municipally supplied utility system;	2010 2011 2012 2013
(k) Any other construction, modification, installation, or remodeling approved by the legislative authority of the municipal corporation as an energy conservation measure.	2014 2015 2016
(2) "Infrastructure" includes, but is not limited to, a water, gas, or electric utility, renewable energy system or technology, traffic control signal, or any other asset owned, operated, or maintained by a municipal corporation.	2017 2018 2019 2020
(B) For the purpose of evaluating buildings owned by a municipal corporation for energy conservation measures, a legislative authority of a municipal corporation may contract with an architect, professional engineer, energy services company, contractor, or other person experienced in the design and implementation of energy conservation measures for an energy conservation report. The report shall include all of the	2021 2022 2023 2024 2025 2026 2027

following:	2028
(1) Analyses of the energy needs of the buildings owned by that municipal corporation and recommendations for building installations, modifications of existing installations, or building remodeling that would significantly reduce energy consumption in the buildings;	2029 2030 2031 2032 2033
(2) Estimates of all costs of the recommended installations, modifications, or remodeling, including costs of design, engineering, installation, maintenance, and repair;	2034 2035 2036
(3) Estimates of the amounts by which energy consumption could be reduced;	2037 2038
(4) The interest rate used to estimate the costs of any energy conservation measures that are to be financed by the municipal corporation;	2039 2040 2041
(5) The average system life of the energy conservation measures;	2042 2043
(6) Estimates of the likely savings that will result from the reduction in energy consumption over the average system life of the energy conservation measures, including the methods used to estimate the savings;	2044 2045 2046 2047
(7) A certification under the seal of a registered professional engineer that the energy conservation report uses reasonable methods of analysis and estimation.	2048 2049 2050
(C) (1) A municipal corporation desiring to implement energy conservation measures may proceed under any of the following methods:	2051 2052 2053
(a) Procure the energy conservation measures in any manner authorized by the municipal corporation's charter, ordinances,	2054 2055

or any other existing authority; 2056

(b) Advertise for bids using a report or any part of an 2057
energy conservation report prepared under division (B) of this 2058
section, and, except as otherwise provided in this section, 2059
comply with competitive bidding requirements; 2060

(c) Notwithstanding any requirement in the Revised Code 2061
that requires competitive bidding or specifies bidding 2062
procedures, request proposals from at least three vendors for 2063
the implementation of energy conservation measures. A request 2064
for proposals shall require the vendor that is awarded a 2065
contract under division (C) (2) (b) of this section to prepare an 2066
energy conservation report in accordance with division (B) of 2067
this section. 2068

Prior to sending any vendor a copy of any request for 2069
proposals, the legislative authority shall advertise its intent 2070
to request proposals for the installation of energy conservation 2071
measures in a newspaper of general circulation in the municipal 2072
corporation once a week for two consecutive weeks. The notice 2073
shall state that the legislative authority intends to request 2074
proposals for the installation of energy conservation measures, 2075
indicate the date on which the request for proposals will be 2076
mailed to vendors, which shall be at least ten days after the 2077
second publication in the newspaper, and state that any vendor 2078
interested in receiving the request for proposals shall submit 2079
written notice to the legislative authority not later than noon 2080
of the day on which the request for proposals is to be mailed. 2081

(2) (a) Upon receiving bids under division (C) (1) (b) of 2082
this section, the legislative authority shall analyze them and 2083
select the lowest and best bid or bids most likely to result in 2084
the greatest energy savings considering the cost of the project 2085

and the legislative authority's ability to pay for the 2086
improvements with current revenues or by financing the 2087
improvements. 2088

(b) Upon receiving proposals under division (C) (1) (c) of 2089
this section, the legislative authority shall analyze the 2090
proposals and the vendors' qualifications and select the most 2091
qualified vendor to prepare an energy conservation report in 2092
accordance with division (B) of this section. After receipt and 2093
review of the energy conservation report, the legislative 2094
authority may award a contract to the selected vendor to install 2095
the energy conservation measures that are most likely to result 2096
in the greatest energy savings considering the cost of the 2097
project and the legislative authority's ability to pay for the 2098
improvements with current revenues or by financing the 2099
improvements. 2100

(c) The awarding of a contract to install energy 2101
conservation measures under division (C) (2) (a) or (b) of this 2102
section shall be conditioned upon a finding by the contracting 2103
authority that the amount of money spent on energy conservation 2104
measures is not likely to exceed the amount of money the 2105
municipal corporation would save in energy, operating, 2106
maintenance, and avoided capital costs over the average system 2107
life of the energy conservation measures as specified in the 2108
energy conservation report. In making such a finding, the 2109
contracting authority may take into account the increased costs 2110
due to inflation as shown in the energy conservation report. 2111
Nothing in this division prohibits a municipal corporation from 2112
rejecting all bids or proposals under division (C) (1) (b) or (c) 2113
of this section or from selecting more than one bid or proposal. 2114

(D) The legislative authority of a municipal corporation 2115

may enter into an installment payment contract for the purchase 2116
and installation of energy conservation measures. Provisions of 2117
installment payment contracts that deal with interest charges 2118
and financing terms shall not be subject to competitive bidding 2119
requirements and shall be on the following terms: 2120

(1) Not less than a specified percentage of the costs of 2121
the contract shall be paid within two years from the date of 2122
purchase, as determined and approved by the legislative 2123
authority of a municipal corporation. 2124

(2) The remaining balance of the costs of the contract 2125
shall be paid within the lesser of the average system life of 2126
the energy conservation measures as specified in the energy 2127
conservation report or thirty years. 2128

(E) The legislative authority of a municipal corporation 2129
may issue the notes of the municipal corporation specifying the 2130
terms of a purchase of energy conservation measures under this 2131
section and securing any deferred payments provided for in 2132
division ~~(C)~~ (D) of this section. The notes shall be payable at 2133
the times provided and bear interest at a rate not exceeding the 2134
rate determined as provided in section 9.95 of the Revised Code. 2135
The notes may contain an option for prepayment and shall not be 2136
subject to Chapter 133. of the Revised Code. Revenues derived 2137
from local taxes or otherwise, for the purpose of conserving 2138
energy or for defraying the current operating expenses of the 2139
municipal corporation, may be pledged and applied to the payment 2140
of interest and the retirement of the notes. The notes may be 2141
sold at private sale or given to the contractor under an 2142
installment payment contract authorized by division ~~(C)~~ (D) of 2143
this section. 2144

(F) Debt incurred under this section shall not be included 2145

in the calculation of the net indebtedness of a municipal corporation under section 133.05 of the Revised Code. 2146
2147

Sec. 717.25. (A) As used in this section: 2148

(1) "Customer-generated energy project" means a wind, biomass, or gasification facility for the generation of electricity that meets either of the following requirements: 2149
2150
2151

(a) The facility is designed to have a generating capacity of two hundred fifty kilowatts of electricity or less. 2152
2153

(b) The facility is: 2154

(i) Designed to have a generating capacity of more than two hundred fifty kilowatts of electricity; 2155
2156

(ii) Operated in parallel with electric transmission and distribution facilities serving the real property at the site of the customer-generated energy project; 2157
2158
2159

(iii) Intended primarily to offset part or all of the facility owner's requirements for electricity at the site of the customer-generated energy project and is located on the facility owner's real property; and 2160
2161
2162
2163

(iv) Not producing energy for direct sale by the facility owner to the public. 2164
2165

(2) "Electric distribution utility" and "mercantile customer" have the same meanings as in section 4928.01 of the Revised Code. 2166
2167
2168

(3) "Reduction in demand" has the same meaning as in section 1710.01 of the Revised Code. 2169
2170

(B) The legislative authority of a municipal corporation may establish a low-cost alternative energy revolving loan 2171
2172

program to assist owners of real property within the municipal corporation with installing and implementing either of the following on their real property:

(1) Alternative energy technologies limited to solar photovoltaic projects, solar thermal energy projects, geothermal energy projects, and customer-generated energy projects;

(2) Energy ~~efficiency~~ waste reduction technologies, products, and activities that reduce or support the reduction of energy consumption, allow for the reduction in demand, or support the production of clean, renewable energy.

(C) If the legislative authority decides to establish such a program, the legislative authority shall adopt an ordinance that provides for the following:

(1) Creation in the municipal treasury of an alternative energy revolving loan fund;

(2) A source of money, such as gifts, bond issues, real property assessments, or federal subsidies, to seed the alternative energy revolving loan fund;

(3) Facilities for making loans from the alternative energy revolving loan fund, including an explanation of how owners of real property within the municipal corporation may qualify for loans from the fund, a description of the alternative energy and energy ~~efficiency~~ waste reduction technologies and related equipment for which a loan can be made from the fund, authorization of a municipal agency to process applications for loans and otherwise to administer the low-cost alternative energy revolving loan program, a procedure whereby loans can be applied for, criteria for reviewing and accepting or denying applications for loans, criteria for determining the

appropriate amount of a loan, the interest rate to be charged, 2202
the repayment schedule, and other terms and conditions of a 2203
loan, and procedures for collecting loans that are not repaid 2204
according to the repayment schedule; 2205

(4) A specification that repayments of loans from the 2206
alternative energy revolving loan fund may be made in 2207
installments and, at the option of the real property owner 2208
repaying the loan, the installments may be paid and collected as 2209
if they were special assessments paid and collected in the 2210
manner specified in Chapter 727. of the Revised Code and as 2211
specified in the ordinance; 2212

(5) A specification that repayments of loans from the 2213
alternative energy revolving loan fund are to be credited to the 2214
fund, that the money in the fund is to be invested pending its 2215
being lent out, and that investment earnings on the money in the 2216
fund are to be credited to the fund; and 2217

(6) Other matters necessary and proper for efficient 2218
operation of the low-cost alternative energy revolving loan 2219
program as a means of encouraging use of alternative energy and 2220
energy ~~efficiency~~ waste reduction technologies. 2221

The interest rate charged on a loan from the alternative 2222
energy revolving loan fund shall be below prevailing market 2223
rates. The legislative authority may specify the interest rate 2224
in the ordinance or may, after establishing a standard in the 2225
ordinance whereby the interest rate can be specified, delegate 2226
authority to specify the interest rate to the administrator of 2227
loans from the alternative energy revolving loan fund. 2228

The alternative energy revolving loan fund shall be seeded 2229
with sufficient money to enable loans to be made until the fund 2230

accumulates sufficient reserves through investment and repayment 2231
of loans for revolving operation. 2232

(D) Except as provided in division (E) of this section, an 2233
electric distribution utility may count toward its compliance 2234
with the energy ~~efficiency-waste~~ and peak demand reduction 2235
requirements of section 4928.66 of the Revised Code any energy 2236
~~efficiency-waste reduction~~ savings or any reduction in demand 2237
that is produced by projects utilizing alternative energy 2238
technologies or energy ~~efficiency-waste reduction~~ technologies, 2239
products, and activities that are located in its certified 2240
territory and for which a loan has been made under this section. 2241

(E) A mercantile customer that realizes energy ~~efficiency-~~ 2242
~~waste reduction~~ savings or reduction in demand produced by 2243
alternative energy technologies or energy ~~efficiency-waste~~ 2244
~~reduction~~ technologies, products, or activities that it owns and 2245
for which a loan has been made under this section may elect to 2246
commit the savings or reduction to the electric distribution 2247
utility in exchange for an exemption from an energy ~~efficiency-~~ 2248
~~waste reduction~~ cost recovery mechanism permitted under section 2249
4928.66 of the Revised Code, approved by the public utilities 2250
commission. 2251

(F) The legislative authority shall submit a quarterly 2252
report to the electric distribution utility that includes, but 2253
is not limited to, both of the following: 2254

(1) The number and a description of each new and ongoing 2255
project utilizing alternative energy technologies or energy 2256
~~efficiency-waste reduction~~ technologies, products, or activities 2257
located in the utility's certified territory that produces 2258
energy ~~efficiency-waste reduction~~ savings or reduction in demand 2259
and for which a loan has been made under this section; 2260

(2) Any additional information that the electric 2261
distribution utility needs in order to obtain credit under 2262
section 4928.66 of the Revised Code for energy ~~efficiency-waste~~ 2263
reduction savings or reduction in demand from such projects. 2264

Sec. 1551.05. The department of ~~development~~ development 2265
shall: 2266

(A) Monitor and assess technological advancements in 2267
energy conservation and development, and maintain to the extent 2268
practicable a capability for independent technology assessment 2269
to support formulation of state energy policy; 2270

(B) Review laws, rules, and state agency policies that 2271
affect energy utilization, and recommend to the agencies and the 2272
general assembly changes to achieve energy conservation and 2273
development; 2274

(C) Develop methods for the performance of energy audits 2275
of buildings and structures and net energy analyses, employing 2276
whenever possible existing knowledge and practices, in order to 2277
identify energy cost savings to be realized through energy 2278
conservation measures, and prepare or identify curricula or 2279
source materials for training of persons conducting energy 2280
audits; 2281

(D) Implement a continuing public education effort 2282
designed to inform individuals and organizations about specific 2283
and appropriate ways to conserve energy; 2284

(E) Provide technical assistance, information on 2285
technological advancements in energy production, use, and 2286
conservation, energy ~~efficiency-waste~~ reduction information, 2287
recommendations to state agencies and local governments, 2288
assistance in the identification, evaluation, and implementation 2289

of measures to reduce energy consumption and waste, and public 2290
information on energy conservation measures, criteria, and 2291
alternatives to assist consumers in purchasing appliances, 2292
machinery, power tools, and similar products; 2293

(F) Identify, project, and monitor reduction in energy 2294
demand due to energy conservation measures in the industrial, 2295
commercial, residential, transportation, and energy production 2296
sectors and the state as a whole; 2297

(G) Annually apply for, receive, accept, and administer 2298
assistance on behalf of the state pursuant to and in compliance 2299
with the "Energy Policy and Conservation Act," 89 Stat. 871, 42 2300
U.S.C.A. 6201, as amended. 2301

Sec. 1710.01. As used in this chapter: 2302

(A) "Special improvement district" means a special 2303
improvement district organized under this chapter. 2304

(B) "Church" means a fellowship of believers, 2305
congregation, society, corporation, convention, or association 2306
that is formed primarily or exclusively for religious purposes 2307
and that is not formed for the private profit of any person. 2308

(C) "Church property" means property that is described as 2309
being exempt from taxation under division (A) (2) of section 2310
5709.07 of the Revised Code and that the county auditor has 2311
entered on the exempt list compiled under section 5713.07 of the 2312
Revised Code. 2313

(D) "Municipal executive" means the mayor, city manager, 2314
or other chief executive officer of the municipal corporation in 2315
which a special improvement district is located. 2316

(E) "Participating political subdivision" means the 2317

municipal corporation or township, or each of the municipal 2318
corporations or townships, that has territory within the 2319
boundaries of a special improvement district created under this 2320
chapter. 2321

(F) "Legislative authority of a participating political 2322
subdivision" means, with reference to a township, the board of 2323
township trustees. 2324

(G) "Public improvement" means the planning, design, 2325
construction, reconstruction, enlargement, or alteration of any 2326
facility or improvement, including the acquisition of land, for 2327
which a special assessment may be levied under Chapter 727. of 2328
the Revised Code, and includes any special energy improvement 2329
project or shoreline improvement project. 2330

(H) "Public service" means any service that can be 2331
provided by a municipal corporation or any service for which a 2332
special assessment may be levied under Chapter 727. of the 2333
Revised Code. 2334

(I) "Special energy improvement project" means any 2335
property, device, structure, or equipment necessary for the 2336
acquisition, installation, equipping, and improvement of any 2337
real or personal property used for the purpose of creating a 2338
solar photovoltaic project, a solar thermal energy project, a 2339
geothermal energy project, a customer-generated energy project, 2340
or an energy ~~efficiency-waste reduction~~ improvement, whether 2341
such real or personal property is publicly or privately owned. 2342

(J) (1) Except as provided in division (J) (2) of this 2343
section, "existing" qualified nonprofit corporation" means a 2344
nonprofit corporation that existed before the creation of the 2345
corresponding district under this chapter, that is composed of 2346

members located within or adjacent to the district, that has 2347
established a police department under section 1702.80 of the 2348
Revised Code, and that is organized for purposes that include 2349
acquisition of real property within an area specified by its 2350
articles for the subsequent transfer of such property to its 2351
members exclusively for charitable, scientific, literary, or 2352
educational purposes, or holding and maintaining and leasing 2353
such property; planning for and assisting in the development of 2354
its members; providing for the relief of the poor and distressed 2355
or underprivileged in the area and adjacent areas; combating 2356
community deterioration and lessening the burdens of government; 2357
providing or assisting others in providing housing for low- or 2358
moderate-income persons; and assisting its members by the 2359
provision of public safety and security services, parking 2360
facilities, transit service, landscaping, and parks. 2361

(2) Regarding a special improvement district to implement 2362
a shoreline improvement project, "existing qualified nonprofit 2363
corporation" has the same meaning as in division (J)(1) of this 2364
section, except that the nonprofit does not need to have an 2365
established police department and does not need to be organized 2366
for purposes that include the acquisition of real property. 2367

(K) "Energy ~~efficiency-waste reduction~~ improvement" means 2368
energy ~~efficiency-waste reduction~~ technologies, products, and 2369
activities that reduce or support the reduction of energy 2370
consumption, allow for the reduction in demand, or support the 2371
production of clean, renewable energy and that are or will be 2372
permanently fixed to real property. 2373

(L) "Customer-generated energy project" means a wind, 2374
biomass, or gasification facility for the production of 2375
electricity that meets either of the following requirements: 2376

(1) The facility is designed to have a generating capacity	2377
of two hundred fifty kilowatts of electricity or less.	2378
(2) The facility is:	2379
(a) Designed to have a generating capacity of more than	2380
two hundred fifty kilowatts of electricity;	2381
(b) Operated in parallel with electric transmission and	2382
distribution facilities serving the real property at the site of	2383
the customer-generated energy project;	2384
(c) Intended primarily to offset part or all of the	2385
facility owner's requirements for electricity at the site of the	2386
customer-generated energy project and is located on the facility	2387
owner's real property; and	2388
(d) Not producing energy for direct sale by the facility	2389
owner to the public.	2390
(M) "Reduction in demand" means a change in customer	2391
behavior or a change in customer-owned or operated assets that	2392
reduces or has the capability to reduce the demand for	2393
electricity as a result of price signals or other incentives.	2394
(N) "Electric distribution utility" and "mercantile	2395
customer" have the same meanings as in section 4928.01 of the	2396
Revised Code.	2397
(O) "Shoreline improvement project" means acquiring,	2398
constructing, installing, equipping, improving, maintaining, or	2399
repairing real or tangible personal property necessary or useful	2400
for making improvements to abate erosion along either the Lake	2401
Erie shoreline or any water resource.	2402
(P) "Water resource" has the same meaning as in section	2403
6105.01 of the Revised Code.	2404

Sec. 1710.061. (A) Except as provided in division (B) of 2405
this section, an electric distribution utility may count toward 2406
its compliance with the energy ~~efficiency-waste~~ and peak demand 2407
reduction requirements of section 4928.66 of the Revised Code 2408
any ~~efficiency-energy waste reduction~~ savings or reduction in 2409
demand produced by a special energy improvement project located 2410
in its certified territory. 2411

(B) A mercantile customer that realizes energy ~~efficiency-~~ 2412
~~waste reduction~~ savings or reduction in demand produced by a 2413
special energy improvement project that it owns may elect to 2414
commit the savings or reduction to the electric distribution 2415
utility in exchange for an exemption from an energy ~~efficiency-~~ 2416
~~waste reduction~~ cost recovery mechanism permitted under section 2417
4928.66 of the Revised Code, approved by the public utilities 2418
commission. 2419

(C) The board of directors of a special improvement 2420
district shall submit a quarterly report to the electric 2421
distribution utility that includes, but is not limited to, both 2422
of the following: 2423

(1) The total number and a description of each new and 2424
ongoing special energy improvement project located within the 2425
special improvement district that produces energy ~~efficiency-~~ 2426
~~waste reduction~~ savings or reduction in demand; 2427

(2) Any additional information that the electric 2428
distribution utility needs in order to obtain credit under 2429
section 4928.66 of the Revised Code for energy ~~efficiency-waste~~ 2430
~~reduction~~ savings or reduction in demand from such projects. 2431

Sec. 1733.04. (A) In addition to the authority conferred 2432
by section 1701.13 of the Revised Code, but subject to any 2433

limitations contained in sections 1733.01 to 1733.45 of the Revised Code, and its articles and regulations, a credit union may do any of the following:

(1) Make loans as provided in section 1733.25 of the Revised Code;

(2) Invest its money as provided in section 1733.30 of the Revised Code;

(3) If authorized by the code of regulations, rebate to the borrowing members a portion of the member's interest paid to the credit union;

(4) If authorized by the regulations, charge a membership or entrance fee;

(5) Purchase group savings life insurance and group credit life insurance;

(6) Make reasonable contributions to any nonprofit civic, charitable, or service organizations;

(7) Act as trustee or custodian, for which reasonable compensation may be received, under any written trust instrument or custodial agreement created or organized in the United States and forming part of a tax-advantaged savings plan that qualifies for specific tax treatment under sections 223, 401(d), 408, 408A, and 530 of the Internal Revenue Code, 26 U.S.C. 223, 401(d), 408, 408A, and 530, as amended, for its members or groups of its members, provided that the funds of such plans are invested in share accounts or share certificate accounts of the credit union. These services include, but are not limited to, acting as a trustee or custodian for member retirement, education, or health savings accounts.

(8) Participate in and pledge assets in connection with 2462
the business linked deposit program under sections 135.77 to 2463
135.774 of the Revised Code, the agricultural linked deposit 2464
program under sections 135.71 to 135.76 of the Revised Code, ~~and~~ 2465
the adoption linked deposit program under sections 135.79 to 2466
135.796 of the Revised Code, and the Ohio clean energy jobs and 2467
justice linked deposit program under sections 135.55 to 135.59 2468
of the Revised Code. 2469

(B) The authority of a credit union shall be subject to 2470
the following: 2471

(1) A credit union may not borrow money in excess of 2472
twenty-five per cent of its shares and undivided earnings, 2473
without prior specific authorization by the superintendent of 2474
credit unions. 2475

(2) A credit union may not pay a commission or other 2476
compensation to any person for securing members or for the sale 2477
of its shares, except that reasonable incentives may be made 2478
available directly to members or potential members to promote 2479
thrift. 2480

(C) (1) A credit union may have service facilities other 2481
than its home office. 2482

(2) Real estate may be acquired by lease, purchase, or 2483
otherwise as necessary and to the extent required for use of the 2484
credit union presently and in the future operation of its office 2485
or headquarters, and in case of a purchase of real estate, the 2486
superintendent must first be notified in writing prior to the 2487
purchase of the real estate. Nothing herein contained shall be 2488
deemed to prohibit a credit union from taking title to real 2489
estate in connection with a default in the payment of a loan, 2490

provided that title to such real estate shall not be held by the 2491
credit union for more than two years without the prior written 2492
approval of the superintendent. A credit union also may lease 2493
space in any real estate it acquires in accordance with rules 2494
adopted by the superintendent. 2495

(D) (1) As used in division (D) of this section: 2496

(a) "School" means an elementary or secondary school. 2497

(b) "Student" means a child enrolled in a school. 2498

(c) "Student branch" means the designation provided to the 2499
credit union for the in-school services and financial education 2500
offered to students. 2501

(2) A credit union, upon agreement with a school board, in 2502
the case of a public school, or the governing authority, in the 2503
case of a nonpublic school, and with the permission of the 2504
superintendent, may open and maintain a student branch. 2505

(3) Notwithstanding any other provision of this section, 2506
any student enrolled in the school maintaining a student branch 2507
who is not otherwise qualified for membership in the credit 2508
union maintaining the student branch is qualified to be a member 2509
of that student branch. 2510

(4) The student's membership in the student branch expires 2511
upon the student's graduation from secondary school. 2512

(5) The student branch is for the express use of students 2513
and may not be used by faculty, staff, or lineal ancestors or 2514
descendents of students. 2515

(6) Faculty, staff, or lineal ancestors or descendents of 2516
students are not eligible for membership in the credit union 2517
maintaining the student branch unless otherwise qualified by 2518

this section to be members. 2519

(7) The superintendent may adopt rules appropriate to the 2520
formation and operation of student branches. 2521

(E) A credit union may guarantee the signature of a member 2522
in connection with a transaction involving tangible or 2523
intangible property in which a member has or seeks to acquire an 2524
interest. 2525

Sec. 1733.24. (A) A credit union is authorized to receive 2526
funds for deposit in share accounts, share draft accounts, and 2527
share certificates from its members, from other credit unions, 2528
and from an officer, employee, or agent of the federal, state, 2529
or local governments, or political subdivisions of the state, in 2530
accordance with such terms, rates, and conditions as may be 2531
established by its board of directors, and for purposes of the 2532
agricultural linked deposit program created under sections 2533
135.71 to 135.76 of the Revised Code, the business linked 2534
deposit program created under sections 135.77 to 135.774 of the 2535
Revised Code, ~~and~~ the adoption linked deposit program under 2536
sections 135.79 to 135.796 of the Revised Code, and the Ohio 2537
clean energy jobs and justice linked deposit program under 2538
sections 135.55 to 135.59 of the Revised Code. 2539

(B) The shares and share accounts of the credit union may 2540
be of one or more classes, as designated by the board of 2541
directors, subject to approval of the superintendent of credit 2542
unions based on rules that shall assure equitable distribution 2543
of dividends among classes, considering costs and advantages of 2544
each class to the members of the credit union, including without 2545
limitation special services rendered, length of ownership, 2546
minimum investment, conditions of repurchase, and other 2547
appropriate standards or combinations thereof. In the event the 2548

articles of incorporation of the credit union indicate the 2549
authorized number of shares to be unlimited, the designation of 2550
classification of shares and share accounts of the credit union 2551
may be effected by the board of directors, subject to the 2552
approval of the superintendent, and does not require amendment 2553
of the articles of incorporation. All shares of the credit union 2554
shall have a par value per share as set by the board of 2555
directors. Redemptions and liquidating dividends shall be 2556
prorated to each member on the basis of the price paid the 2557
credit union for such share, irrespective of the class of such 2558
shares. 2559

(C) (1) Each credit union shall have one class of shares 2560
designated as "membership share." The membership shares, or if a 2561
credit union has but one class of shares, then all of the shares 2562
of the credit union, shall have a par value as set by the board 2563
of directors. 2564

(2) Two or more persons that are eligible for membership 2565
that have jointly subscribed for one or more shares under a 2566
joint account each may be admitted to membership. 2567

(D) A credit union need not issue certificates for any or 2568
all of its classes of shares but irrespective of whether 2569
certificates are issued, a registry of shares must be kept, 2570
including all of the transactions of the credit union pertaining 2571
to such shares. 2572

(E) A credit union is authorized to maintain share draft 2573
accounts in accordance with rules prescribed by the 2574
superintendent. The credit union may pay dividends on share 2575
draft accounts, may pay dividends at different rates on 2576
different types of share draft accounts, and may permit the 2577
owners of such share draft accounts to make withdrawals by 2578

negotiable or transferable instruments or other orders for the 2579
purpose of making transfers to third parties. 2580

(F) Unless otherwise provided by written agreement of the 2581
parties, the rights, responsibilities, and liabilities attaching 2582
to a share draft withdrawn from, transferred to, or otherwise 2583
handled by a credit union are defined in and governed by 2584
Chapters 1303. and 1304. of the Revised Code, as if the credit 2585
union were a bank. 2586

(G) Unless otherwise provided in the articles or 2587
regulations, a member may designate any person or persons to own 2588
or hold shares, or share accounts with the member in joint 2589
tenancy with right of survivorship and not as tenants in common. 2590

(H) Shares or share accounts may be issued in the name of 2591
a custodian under the Ohio transfers to minors act, a member in 2592
trust for a beneficiary, a fiduciary or custodian in trust for a 2593
member beneficiary, or a fiduciary or custodian in trust upon 2594
the death of a member. Redemption of such shares or payment of 2595
such share accounts to a member, to the extent of the payment, 2596
discharges the liability of the credit union to the member and 2597
the beneficiary, and the credit union shall be under no 2598
obligation to see to the application of the payment. Unless 2599
prior to the death of a member, the member has notified the 2600
credit union in writing in a form approved by the credit union 2601
of a different beneficiary to receive the proceeds of such 2602
shares or share accounts, then the proceeds shall be paid to the 2603
beneficiary or to the beneficiary's parent or legal 2604
representative. Any payment made pursuant to written 2605
instructions of the member or pursuant to the provisions herein 2606
contained shall be a valid and sufficient release and discharge 2607
of the credit union in connection with any such share or share 2608

accounts. 2609

(I) (1) Except as otherwise provided in the articles or 2610
regulations, and subject to the provisions thereof, a minor may 2611
purchase shares, share accounts, or other depository 2612
instruments, and except for qualification as a voting member, 2613
the credit union may deal with the minor with respect to shares, 2614
share accounts, or other depository instruments owned by the 2615
minor as if the minor were a person of legal age. 2616

(2) If shares, share accounts, or other depository 2617
instruments are issued in the name of a minor, redemption of any 2618
part or all of the shares or withdrawal of funds by payment to 2619
the minor of the shares or funds and any declared dividends or 2620
interest releases the credit union from all obligation to the 2621
minor as to the shares reduced or funds withdrawn. 2622

(J) The regulations may require advance written notice of 2623
a member's intention to withdraw the member's shares. Such 2624
advance notice shall not exceed sixty days. 2625

(K) Notwithstanding any provision of law to the contrary, 2626
funds deposited in a share account, share certificate, or in any 2627
other manner pursuant to a program offered by a credit union to 2628
promote consumer savings do not constitute valuable 2629
consideration for purposes of a scheme of chance under Chapter 2630
2915. of the Revised Code. 2631

Sec. 3313.372. (A) As used in this section, "energy 2632
conservation measure" means an installation or modification of 2633
an installation in, or remodeling of, a building, to reduce 2634
energy consumption. It includes: 2635

(1) Insulation of the building structure and systems 2636
within the building; 2637

(2) Storm windows and doors, multiglazed windows and doors, heat absorbing or heat reflective glazed and coated window and door systems, additional glazing, reductions in glass area, and other window and door system modifications that reduce energy consumption;	2638 2639 2640 2641 2642
(3) Automatic energy control systems;	2643
(4) Heating, ventilating, or air conditioning system modifications or replacements;	2644 2645
(5) Caulking and weatherstripping;	2646
(6) Replacement or modification of lighting fixtures to increase <u>reduce</u> the energy efficiency <u>waste</u> of the system without increasing the overall illumination of a facility, unless such increase in illumination is necessary to conform to the applicable state or local building code for the proposed lighting system;	2647 2648 2649 2650 2651 2652
(7) Energy recovery systems;	2653
(8) Cogeneration systems that produce steam or forms of energy such as heat, as well as electricity, for use primarily within a building or complex of buildings;	2654 2655 2656
(9) Any other modification, installation, or remodeling approved by the Ohio facilities construction commission as an energy conservation measure.	2657 2658 2659
(B) A board of education of a city, exempted village, local, or joint vocational school district may enter into an installment payment contract for the purchase and installation of energy conservation measures. The provisions of such installment payment contracts dealing with interest charges and financing terms shall not be subject to the competitive bidding	2660 2661 2662 2663 2664 2665

requirements of section 3313.46 of the Revised Code, and shall 2666
be on the following terms: 2667

(1) Not less than one-fifteenth of the costs thereof shall 2668
be paid within two years from the date of purchase. 2669

(2) The remaining balance of the costs thereof shall be 2670
paid within fifteen years from the date of purchase. 2671

The provisions of any installment payment contract entered 2672
into pursuant to this section shall provide that all payments, 2673
except payments for repairs and obligations on termination of 2674
the contract prior to its expiration, shall not exceed the 2675
calculated energy, water, or waste water cost savings, avoided 2676
operating costs, and avoided capital costs attributable to the 2677
one or more measures over a defined period of time. Those 2678
payments shall be made only to the extent that the savings 2679
described in this division actually occur. The energy services 2680
company shall warrant and guarantee that the energy conservation 2681
measures shall realize guaranteed savings and shall be 2682
responsible to pay an amount equal to any savings shortfall. 2683

An installment payment contract entered into by a board of 2684
education under this section shall require the board to contract 2685
in accordance with division (A) of section 3313.46 of the 2686
Revised Code for the installation, modification, or remodeling 2687
of energy conservation measures unless division (A) of section 2688
3313.46 of the Revised Code does not apply pursuant to division 2689
(B) (3) of that section, in which case the contract shall be 2690
awarded through a competitive selection process pursuant to 2691
rules adopted by the facilities construction commission. 2692

An installment payment contract entered into by a board of 2693
education under this section may include services for 2694

measurement and verification of energy savings associated with 2695
the guarantee. The annual cost of measurement and verification 2696
services shall not exceed ten per cent of the guaranteed savings 2697
in any year of the installment payment contract. 2698

(C) If a board of education determines that a surety bond 2699
is necessary to secure energy, water, or waste water cost 2700
savings guaranteed in a contract entered into by the board of 2701
education under this section, the energy services company shall 2702
provide a surety bond that satisfies all of the following 2703
requirements: 2704

(1) The penal sum of the surety bond for the first 2705
guarantee year shall equal the amount of savings included in the 2706
annual guaranteed savings amount that is measured and calculated 2707
in accordance with the measurement and verification plan 2708
included in the contract, but may not include guaranteed savings 2709
that are not measured or that are stipulated in the contract. 2710
The annual guaranteed savings amount shall include only the 2711
savings guaranteed in the contract for the one-year term that 2712
begins on the first day of the first savings guarantee year and 2713
may not include amounts from subsequent years. 2714

(2) The surety bond shall have a term of not more than one 2715
year unless renewed. At the option of the board of education, 2716
the surety bond may be renewed for one or two additional terms, 2717
each term not to exceed one year. The surety bond may not be 2718
renewed or extended so that it is in effect for more than three 2719
consecutive years. 2720

In the event of a renewal, the penal sum of the surety 2721
bond for each renewed year shall be revised so that the penal 2722
sum equals the annual guaranteed savings amount for such renewal 2723
year that is measured and calculated in accordance with the 2724

measurement and verification plan included in the contract, but 2725
may not include guaranteed savings that are not measured or that 2726
are stipulated in the contract. Regardless of the number of 2727
renewals of the bond, the aggregate liability under each renewed 2728
bond may not exceed the penal sum stated in the renewal 2729
certificate for the applicable renewal year. 2730

(3) The surety bond for the first year shall be issued 2731
within thirty days of the commencement of the first savings 2732
guarantee year under the contract. 2733

In the event of renewal, the surety shall deliver to the 2734
board of education a renewal certificate reflecting the revised 2735
penal sum within thirty days of the board of education's 2736
request. The board of education shall deliver the request for 2737
renewal not less than thirty days prior to the expiration date 2738
of the surety bond then in existence. A surety bond furnished 2739
pursuant to section 153.54 of the Revised Code shall not secure 2740
obligations related to energy, water, or waste water cost 2741
savings as referenced in division (C) of this section. 2742

(D) The board may issue the notes of the school district 2743
signed by the president and the treasurer of the board and 2744
specifying the terms of the purchase and securing the deferred 2745
payments provided in this section, payable at the times provided 2746
and bearing interest at a rate not exceeding the rate determined 2747
as provided in section 9.95 of the Revised Code. The notes may 2748
contain an option for prepayment and shall not be subject to 2749
Chapter 133. of the Revised Code. In the resolution authorizing 2750
the notes, the board may provide, without the vote of the 2751
electors of the district, for annually levying and collecting 2752
taxes in amounts sufficient to pay the interest on and retire 2753
the notes, except that the total net indebtedness of the 2754

district without a vote of the electors incurred under this and 2755
all other sections of the Revised Code, except section 3318.052 2756
of the Revised Code, shall not exceed one per cent of the 2757
district's tax valuation. Revenues derived from local taxes or 2758
otherwise, for the purpose of conserving energy or for defraying 2759
the current operating expenses of the district, may be applied 2760
to the payment of interest and the retirement of such notes. The 2761
notes may be sold at private sale or given to the energy 2762
services company under the installment payment contract 2763
authorized by division (B) of this section. 2764

(E) Debt incurred under this section shall not be included 2765
in the calculation of the net indebtedness of a school district 2766
under section 133.06 of the Revised Code. 2767

(F) No school district board shall enter into an 2768
installment payment contract under division (B) of this section 2769
unless it first obtains a report of the costs of the energy 2770
conservation measures and the savings thereof as described under 2771
division (G)(1) of section 133.06 of the Revised Code as a 2772
requirement for issuing energy securities, makes a finding that 2773
the amount spent on such measures is not likely to exceed the 2774
amount of money it would save in energy costs and resultant 2775
operational and maintenance costs as described in that division, 2776
except that that finding shall cover the ensuing fifteen years, 2777
and the facilities construction commission determines that the 2778
district board's findings are reasonable and approves the 2779
contract as described in that division. 2780

The district board shall monitor the savings and maintain 2781
a report of those savings, which shall be submitted to the 2782
commission in the same manner as required by division (G) of 2783
section 133.06 of the Revised Code in the case of energy 2784

securities. 2785

Sec. 3345.61. As used in this section and sections 3345.62 2786
to 3345.66 of the Revised Code: 2787

(A) "Avoided capital costs" means a measured reduction in 2788
the cost of future equipment or other capital purchases that 2789
results from implementation of one or more energy or water 2790
conservation measures, when compared to an established baseline 2791
for previous such cost. 2792

(B) "Board of trustees of a state institution of higher 2793
education" means the board of trustees of a state institution of 2794
higher education as defined in section 3345.011 of the Revised 2795
Code. 2796

(C) "Energy conservation measure" means an installation or 2797
modification of an installation in, or a remodeling of, an 2798
existing building in order to reduce energy consumption. The 2799
term includes any of the following: 2800

(1) Installation or modification of insulation in the 2801
building structure and systems within the building; 2802

(2) Installation or modification of a storm window or 2803
door, a multiglazed window or door, or a heat absorbing or heat 2804
reflective glazed and coated window and door system; 2805
installation of additional glazing; a reduction in glass area; 2806
or other window or door system modification that reduces energy 2807
consumption and operating costs; 2808

(3) Installation or modification of an automatic energy 2809
control system; 2810

(4) Replacement or modification of a heating, ventilating, 2811
or air conditioning system; 2812

(5) Application of caulking and weatherstripping;	2813
(6) Replacement or modification of a lighting fixture to	2814
increase <u>reduce</u> the energy efficiency <u>waste</u> of the system	2815
without increasing the overall illumination of a facility,	2816
unless such increase in illumination is necessary to conform to	2817
the applicable state or local building code for the proposed	2818
lighting system;	2819
(7) Installation or modification of an energy recovery	2820
system;	2821
(8) Installation or modification of cogeneration systems	2822
that produce steam or forms of energy such as heat, as well as	2823
electricity, for use primarily within a building or complex of	2824
buildings;	2825
(9) Any other modification, installation, or remodeling	2826
approved by the board of trustees of a state institution of	2827
higher education as an energy conservation measure for one or	2828
more buildings owned by the institution.	2829
(D) "Energy saving measure" means the acquisition and	2830
installation, by purchase, lease, lease-purchase, lease with an	2831
option to buy, or installment purchase, of an energy	2832
conservation measure and any attendant architectural and	2833
engineering consulting services.	2834
(E) "Energy, water, or wastewater cost savings" means a	2835
measured reduction in, as applicable, the cost of fuel, energy	2836
or water consumption, wastewater production, or stipulated	2837
operation or maintenance resulting from the implementation of	2838
one or more energy or water conservation measures, when compared	2839
to an established baseline for previous such costs,	2840
respectively.	2841

(F) "Operating cost savings" means a measured reduction in 2842
the cost of stipulated operation or maintenance created by the 2843
installation of new equipment or implementation of a new 2844
service, when compared with an established baseline for previous 2845
such stipulated costs. 2846

(G) "Water conservation measure" means an installation or 2847
modification of an installation in, or a remodeling of, an 2848
existing building or the surrounding grounds in order to reduce 2849
water consumption. The term includes any of the following: 2850

(1) Water-conserving fixture, appliance, or equipment, or 2851
the substitution of a nonwater-using fixture, appliance, or 2852
equipment; 2853

(2) Water-conserving, landscape irrigation equipment; 2854

(3) Landscaping measure that reduces storm water runoff 2855
demand and capture and hold applied water and rainfall, 2856
including landscape contouring such as the use of a berm, swale, 2857
or terrace and including the use of a soil amendment, including 2858
compost, that increases the water-holding capacity of the soil; 2859

(4) Rainwater harvesting equipment or equipment to make 2860
use of water collected as part of a storm water system installed 2861
for water quality control; 2862

(5) Equipment for recycling or reuse of water originating 2863
on the premises or from another source, including treated, 2864
municipal effluent; 2865

(6) Equipment needed to capture water for nonpotable uses 2866
from any nonconventional, alternate source, including air 2867
conditioning condensate or gray water; 2868

(7) Any other modification, installation, or remodeling 2869

approved by the board of trustees of a state institution of 2870
higher education, as defined in section 3345.011 of the Revised 2871
Code, as a water conservation measure for one or more buildings 2872
or the surrounding grounds owned by the institution. 2873

(H) "Water saving measure" means the acquisition and 2874
installation, by the purchase, lease, lease-purchase, lease with 2875
an option to buy, or installment purchases of a water 2876
conservation measure and any attendant architectural and 2877
engineering consulting services. 2878

Sec. 3345.69. (A) As used in this section: 2879

(1) "State institution of higher education" has the same 2880
meaning as in section 3345.011 of the Revised Code. 2881

(2) "Board of trustees of a state institution of higher 2882
education" has the same meaning as in section 3345.61 of the 2883
Revised Code. 2884

(B) The chairperson of the interuniversity council of Ohio 2885
and the secretary of the Ohio association of community colleges 2886
shall assist in coordinating the organization and operation of a 2887
committee to carry out this section. The committee shall be 2888
comprised of the presidents of the state institutions of higher 2889
education or their designees. The committee, in consultation 2890
with the Ohio facilities construction commission, shall develop 2891
guidelines for the board of trustees of each state institution 2892
of higher education to use in ensuring energy ~~efficiency-waste~~ 2893
reduction and conservation in on- and off-campus buildings. At a 2894
minimum, guidelines under this section shall do all of the 2895
following: 2896

(1) Include a goal to reduce on- and off-campus building 2897
energy consumption by at least twenty per cent by 2014, using 2898

calendar year 2004 as the benchmark year, while recognizing the
diverse nature and different energy demands and uses of such
buildings and measures already taken to increase building energy
~~efficiency~~ waste reduction and conservation;

(2) Prescribe minimum energy ~~efficiency~~ waste reduction
and conservation standards for any new, on- or off-campus
capital improvement project with a construction cost of one
hundred thousand dollars or more, which standards shall be based
on general building type and cost-effectiveness;

(3) Prescribe minimum energy ~~efficiency~~ waste reduction
and conservation standards for the leasing of an off-campus
space of at least twenty-thousand square feet;

(4) Incorporate best practices into energy ~~efficiency~~ waste reduction
and conservation standards and plans;

(5) Provide that each board develop its own fifteen-year
plan for phasing in energy ~~efficiency~~ waste reduction and
conservation projects;

(6) Provide that project impact assessments include the
fiscal effects of energy ~~efficiency~~ waste reduction and
conservation recommendations and plans;

(7) Establish mechanisms for each board to report
periodically to the committee on its progress relative to the
guidelines.

(C) The board of trustees of a state institution of higher
education shall adopt rules under section 111.15 of the Revised
Code to carry out the guidelines established pursuant to
division (B) of this section, including in the execution of the
board's authority under sections 3345.62 to 3345.66 of the
Revised Code.

Sec. 3375.405. (A) As used in this section, "energy	2928
conservation measure" means the construction of, installation or	2929
modification of an installation in, or remodeling of, a new or	2930
existing building, to reduce energy consumption. It includes:	2931
(1) Insulation of the building structure and of systems	2932
within the building;	2933
(2) Storm windows and doors, multiglazed windows and	2934
doors, heat-absorbing or heat-reflective glazed and coated	2935
window and door systems, additional glazing, reductions in glass	2936
area, and other window and door system modifications that reduce	2937
energy consumption;	2938
(3) Automatic energy control systems;	2939
(4) Heating, ventilating, or air conditioning system	2940
modifications or replacements;	2941
(5) Caulking and weather-stripping;	2942
(6) Replacement or modification of lighting fixtures to	2943
increase <u>reduce</u> the energy efficiency <u>waste</u> of the system	2944
without increasing the overall illumination of a facility,	2945
unless such an increase in illumination is necessary to conform	2946
to the applicable state or local building code for the proposed	2947
lighting system;	2948
(7) Energy recovery systems;	2949
(8) Cogeneration systems that produce steam or forms of	2950
energy such as heat, as well as electricity, for use primarily	2951
within a building or complex of buildings;	2952
(9) Acquiring, constructing, furnishing, equipping,	2953
improving the site of, or otherwise improving a central utility	2954
plant to provide heating and cooling services to a building	2955

together with distribution piping and ancillary distribution 2956
controls, equipment, and related facilities from the central 2957
utility plant to the building; and 2958

(10) Any other construction, modification, installation, 2959
or remodeling approved by a board of library trustees as an 2960
energy conservation measure. 2961

(B) For the purpose of evaluating library buildings for 2962
energy conservation measures, a board of library trustees 2963
appointed pursuant to section 3375.06, 3375.10, 3375.12, 2964
3375.15, 3375.22, or 3375.30 of the Revised Code may contract 2965
with an architect, professional engineer, energy services 2966
company, contractor, or other person experienced in the design 2967
and implementation of energy conservation measures for an energy 2968
conservation report. Such a report shall include all of the 2969
following: 2970

(1) Analyses of the energy needs of library buildings and 2971
recommendations for building installations, modifications of 2972
existing installations, or building remodeling that would 2973
significantly reduce energy consumption in the buildings; 2974

(2) Estimates of all costs of the recommended 2975
installations, modifications, or remodeling, including costs of 2976
design, engineering, installation, maintenance, and repair; 2977

(3) Estimates of the amounts by which energy consumption 2978
could be reduced; 2979

(4) The interest rate used to estimate the costs of any 2980
energy conservation measures that are to be financed by the 2981
library; 2982

(5) The average system life of the energy conservation 2983
measures; 2984

(6) Estimates of the likely savings that will result from 2985
the reduction in energy consumption over the average system life 2986
of the energy conservation measures, including the methods used 2987
to estimate the savings; and 2988

(7) A certification under the seal of a registered 2989
professional engineer that the energy conservation report uses 2990
reasonable methods of analysis and estimation. 2991

(C) (1) A board of library trustees appointed pursuant to 2992
section 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, or 3375.30 2993
of the Revised Code desiring to implement energy conservation 2994
measures may proceed under any of the following methods: 2995

(a) Procure the energy conservation measures in any manner 2996
authorized by existing authority. 2997

(b) Advertise for bids using an energy conservation report 2998
or any part of an energy conservation report prepared under 2999
division (B) of this section, and, except as otherwise provided 3000
in this section, comply with competitive bidding requirements 3001
applicable to the board of library trustees. 3002

(c) Notwithstanding any requirement in the Revised Code 3003
that requires competitive bidding or specifies bidding 3004
procedures, request proposals from at least three vendors for 3005
the implementation of energy conservation measures. A request 3006
for proposals shall require the vendor that is awarded a 3007
contract under division (C) (2) (b) of this section to prepare an 3008
energy conservation report in accordance with division (B) of 3009
this section. 3010

Prior to sending any vendor a copy of any request for 3011
proposals, the board of library trustees shall advertise its 3012
intent to request proposals for the installation of energy 3013

conservation measures in a newspaper of general circulation 3014
within the territorial boundaries of the political subdivision 3015
or district over which it has jurisdiction of free public 3016
library services once a week for two consecutive weeks. The 3017
notice shall state that the board of trustees intends to request 3018
proposals for the installation of energy conservation measures, 3019
indicate the date on which the request for proposals will be 3020
mailed to vendors, which shall be at least ten days after the 3021
second publication in the newspaper, and state that any vendor 3022
interested in receiving the request for proposals shall submit 3023
written notice to the board of library trustees not later than 3024
noon of the day on which the request for proposals is to be 3025
mailed. 3026

(2) (a) Upon receiving bids under division (C) (1) (b) of 3027
this section, the board of library trustees shall analyze them 3028
and select the lowest and best bid or bids most likely to result 3029
in the greatest energy savings considering the cost of the 3030
project and the board of library trustees' ability to pay for 3031
the improvements with current revenues or by financing the 3032
improvements. 3033

(b) Upon receiving proposals under division (C) (1) (c) of 3034
this section, the board of library trustees shall analyze the 3035
proposals and the vendors' qualifications and select the most 3036
qualified vendor to prepare an energy conservation report in 3037
accordance with division (B) of this section. After receipt and 3038
review of the energy conservation report, the board of library 3039
trustees may award a contract to the selected vendor to install 3040
the energy conservation measures that are most likely to result 3041
in the greatest energy savings considering the cost of the 3042
project and the board of library trustees' ability to pay for 3043
the improvements with current revenues or by financing the 3044

improvements. 3045

(c) The awarding of a contract to install energy 3046
conservation measures under division (C) (2) (a) or (b) of this 3047
section shall be conditioned upon a finding by the board of 3048
library trustees that the amount of money spent on energy 3049
conservation measures is not likely to exceed the amount of 3050
money the library would save in energy, operating, maintenance, 3051
and avoided capital costs over the average system life of the 3052
energy conservation measures as specified in the energy 3053
conservation report. In making such a finding, the board of 3054
trustees may take into account the increased costs due to 3055
inflation as shown in the energy conservation report. Nothing in 3056
this division prohibits a board of library trustees from 3057
rejecting all bids or proposals under division (C) (1) (b) or (c) 3058
of this section or from selecting more than one bid or proposal. 3059

(D) A board of library trustees appointed pursuant to 3060
section 3375.06, 3375.10, 3375.12, 3375.15, 3375.22, or 3375.30 3061
of the Revised Code may contract for the purchase and 3062
installation of energy conservation measures as provided in 3063
division (C) of section 3375.40 of the Revised Code. 3064

Sec. 3704.20. As used in sections 3704.20 to 3704.28 of 3065
the Revised Code: 3066

(A) "Cost-effective" or "cost-effectiveness" means the 3067
cost per unit of reduced emissions of greenhouse gases expressed 3068
as carbon dioxide equivalent. 3069

(B) "Disproportionately impacted community" means a 3070
community in which situations have developed where multiple 3071
factors, including environmental and socioeconomic stressors, 3072
act cumulatively to affect health and the environment and 3073

contribute to persistent environmental health disparities. 3074

(C) "Electric cooperative" and "electric distribution utility" have the same meanings as in section 4928.01 of the Revised Code. 3075
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(D) "Energy-intensive, trade-exposed manufacturing source" means an entity that principally manufactures iron, steel, aluminum, pulp, paper, or cement and that is engaged in the manufacture of goods through one or more emissions-intensive, trade-exposed processes, as determined by the environmental protection agency. 3078
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(E) "Greenhouse gas" includes carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, nitrogen trifluoride, and sulfur hexafluoride, expressed as carbon dioxide equivalent. 3084
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(F) "Retail electricity sales" means electric energy sold to retail end-use electric consumers. 3088
3089

(G) "Statewide greenhouse gas emissions" means the total net statewide anthropogenic emissions of greenhouse gas calculated using a methodology and data on radiative forcing and atmospheric persistence deemed appropriate by the environmental protection agency. 3090
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Sec. 3704.21. (A) The environmental protection agency shall establish the following goals: 3095
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(1) A twenty-six per cent reduction in statewide greenhouse gas emissions by 2025; 3097
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(2) A fifty per cent reduction in statewide greenhouse gas emissions by 2030; 3099
3100

(3) A one hundred per cent reduction in statewide 3101

greenhouse gas emissions by 2050. 3102

Such reductions shall be measured relative to 2005 3103
statewide greenhouse gas emission levels. 3104

(B) To achieve the goals set forth in division (A) of this 3105
section, the director of environmental protection shall adopt 3106
rules in accordance with Chapter 119. of the Revised Code that 3107
do all of the following: 3108

(1) Establish strategies and requirements designed to 3109
achieve reductions in greenhouse gas emissions, including carbon 3110
reduction plans; 3111

(2) Provide for the ongoing tracking of greenhouse gas 3112
emission sources statewide, including those that adversely 3113
affect disproportionately impacted communities; 3114

(3) Provide a mechanism for identifying disproportionately 3115
impacted communities. In establishing the rules under division 3116
(B) (3) of this section, the director shall consider both of the 3117
following: 3118

(a) Minority and low-income populations in the state that 3119
potentially experience disproportionate environmental harms and 3120
risks resulting in increased vulnerability to environmental 3121
degradation, lack of opportunity for public participation, or 3122
other factors; 3123

(b) Environmental and socioeconomic stressors that may act 3124
cumulatively to affect the health and the environment and 3125
contribute to persistent environmental health disparities. 3126

(4) Establish requirements and procedures for audits 3127
conducted under section 3704.28 of the Revised Code; 3128

(5) Establish any other requirements and procedures 3129

necessary for the implementation of sections 3704.20 to 3704.28 3130
of the Revised Code. 3131

(C) In adopting and implementing rules under division (B) 3132
of this section, the director shall not establish any 3133
requirements specifying a particular mix of electric generating 3134
resources that a public utility must use to meet applicable 3135
greenhouse gas emission limits. 3136

Sec. 3704.22. (A) Prior to adopting rules in accordance 3137
with section 3704.21 of the Revised Code, the director of 3138
environmental protection shall solicit input from other state 3139
agencies, stakeholders, and the public on the advantages of 3140
different statewide greenhouse gas emission mitigation measures. 3141
The director shall specifically solicit input from those most 3142
impacted by climate change, including all of the following: 3143

(1) Disproportionately impacted communities; 3144

(2) Large emission sources; 3145

(3) Workers in relevant industries, including advanced 3146
energy and fuel delivery; 3147

(4) Communities that are economically dependent on 3148
industries with high levels of greenhouse gas emissions. 3149

(B) In soliciting input from the public utilities 3150
commission under division (A) of this section, the director 3151
shall consult with the commission on issues of cost of 3152
electricity, reliability of electric service, technology 3153
developments in electricity generation, and beneficial 3154
electrification. The director shall keep a record of all 3155
communications and consultations with the commission. 3156

Sec. 3704.23. In adopting and implementing rules under 3157

section 3704.21 of the Revised Code, the director of 3158
environmental protection shall consider all of the following: 3159

(A) The benefits of compliance, including health, 3160
environmental, and air quality; 3161

(B) The costs of compliance; 3162

(C) The economic and employment impacts; 3163

(D) The time necessary for compliance; 3164

(E) The relative contribution of each source or source 3165
category to statewide greenhouse gas emissions based on current 3166
data updated at reasonable intervals as determined by the 3167
director; 3168

(F) The value of harmonizing emission reporting 3169
requirements with existing federal requirements as determined 3170
appropriate by the director; 3171

(G) The equitable distribution of the benefits of 3172
compliance, opportunities to incentivize renewable energy 3173
resources and pollution abatement opportunities in 3174
disproportionately impacted communities, and opportunities to 3175
encourage clean energy in communities; 3176

(H) Issues related to the beneficial use of electricity to 3177
reduce greenhouse gas emissions; 3178

(I) Whether program design could enhance the reliability 3179
of electric service; 3180

(J) The potential to enhance the resilience of the state's 3181
communities and natural resources to the climate; 3182

(K) Whether greater or more cost-effective emission 3183
reductions are available through program design or other 3184

technologies; 3185

(L) Issues relating to joint ownership of electric 3186
generating resources and the extent to which these resources are 3187
relying on power purchased from third parties to meet emissions 3188
reductions requirements. 3189

Sec. 3704.24. (A) For purposes of implementing the rules 3190
adopted under section 3704.21 of the Revised Code, the director 3191
of environmental protection may employ both of the following 3192
strategies: 3193

(1) Demand-side management and renewable energy 3194
development strategies; 3195

(2) Regulatory strategies that have been deployed by other 3196
jurisdictions to reduce multi-sector greenhouse gas emissions 3197
that facilitate adoption of technologies that have very low or 3198
zero emissions and that enhance cost-effectiveness, compliance 3199
flexibility, and transparency around compliance costs. 3200

(B) The director may coordinate with other jurisdictions 3201
in securing statewide greenhouse gas emission reductions. For 3202
purposes of division (A) of section 3704.21 of the Revised Code, 3203
the director may apply reductions in net greenhouse gas 3204
emissions that occur as a result of coordinating with another 3205
jurisdiction if the director finds that the implementing 3206
regulations of the jurisdiction are sufficient to ensure the 3207
integrity of the reductions in greenhouse gas emissions. 3208

Sec. 3704.25. (A) In designing, implementing, and 3209
enforcing programs, policies, and requirements to reduce 3210
statewide greenhouse gas emissions, the director of 3211
environmental protection shall take into consideration any 3212
greenhouse gas emission reduction plan established by the public 3213

utilities commission that will assist in achieving at least the 3214
reductions specified in division (A) (2) of section 3704.21 of 3215
the Revised Code. 3216

(B) The director shall not mandate that an electric 3217
distribution utility's greenhouse gas emissions caused by Ohio 3218
retail electricity sales and generation be reduced by more than 3219
is required under a utility's approved carbon reduction plan to 3220
meet its reduction goals for purposes of division (A) (2) of 3221
section 3704.21 of the Revised Code. The director also shall not 3222
impose any administrative charge on the utility directly 3223
associated with quantities of greenhouse gas emissions caused by 3224
the utilities' and competitive retail electric service 3225
providers' electricity sales and generation that remain after 3226
the reductions required by the carbon reduction plan, provided 3227
both of the following apply: 3228

(1) The reductions are achieved. 3229

(2) The director has verified that the approved carbon 3230
reduction plan will achieve at least a fifty per cent reduction 3231
in greenhouse gas emissions by 2030, relative to 2005 levels, 3232
caused by the utility and its retail electric service providers. 3233

Sec. 3704.26. Beginning March 31, 2023, and every two 3234
years thereafter, the director of environmental protection shall 3235
submit a report to the general assembly that specifies the 3236
following: 3237

(A) The progress made towards reducing greenhouse gas 3238
emissions and meeting the goals set forth in division (A) of 3239
section 3701.21 of the Revised Code; 3240

(B) Any newly available, cost-benefit, or regulatory 3241
analysis developed to assess the progress in meeting such goals; 3242

(C) Any recommendations on future legislative action 3243
necessary to assist in meeting such goals, such as 3244
implementation of climate adaptation policies or accelerating 3245
deployment of cleaner technologies. 3246

Sec. 3704.27. (A) (1) An electric cooperative or a 3247
municipal electric utility may submit to the director of 3248
environmental protection a voluntary greenhouse gas emission 3249
reduction plan approved by the applicable governing body of the 3250
cooperative or utility. 3251

(2) If submitted, the plan shall demonstrate that, by 3252
2030, the electric cooperative or municipal electric utility 3253
will achieve at least a fifty per cent reduction in greenhouse 3254
gas emissions, relative to 2005 levels, caused by the entity's 3255
retail electricity sales or generation in this state. 3256

(B) The director of environmental protection shall verify 3257
that a plan submitted under division (A) of this section, if 3258
implemented, will result, by 2030, in a fifty per cent reduction 3259
in greenhouse gas emissions caused by the electric cooperative 3260
or municipal electric utility, relative to 2005 levels. The 3261
agency also shall verify that the plan has previously been 3262
approved by the applicable governing body of the electric 3263
cooperative or municipal electric utility. 3264

(C) Voluntary submission of a plan under division (A) of 3265
this section by an electric cooperative or municipal electric 3266
utility does not alter the entity's regulatory status with 3267
respect to the public utilities commission. 3268

Sec. 3704.28. (A) In addressing greenhouse gas emissions 3269
from an energy-intensive, trade-exposed manufacturing source, 3270
the director of environmental protection shall require the 3271

source to execute an energy and greenhouse gas emission control 3272
audit, according to criteria established by the agency, every 3273
five years through 2035. A qualified third party, as determined 3274
by the agency, shall conduct the audit and submit the results to 3275
the agency. 3276

(B) The director may impose an administrative charge on an 3277
energy-intensive, trade-exposed manufacturing source unless the 3278
source meets all of the following criteria: 3279

(1) The source currently employs best available emission 3280
control technologies for greenhouse gas emissions. 3281

(2) The source currently employs best available energy 3282
waste reduction practices. 3283

(3) The source's emissions are not greater than the 3284
emissions associated with use of the best available emission 3285
control technologies as determined by the agency. 3286

Sec. 4903.191. Notwithstanding any provision of the 3287
Revised Code to the contrary, in the event that any decision of 3288
the public utilities commission is reversed by the Ohio supreme 3289
court or any other entity having jurisdiction to consider an 3290
appeal, the public utilities commission shall, within thirty 3291
days, issue an order requiring the refund of the amounts 3292
collected from consumers that was determined to be unlawful. 3293
Full refunds, including interest, shall be completed within one 3294
hundred twenty days of the date of the final order from the 3295
supreme court or other entity. 3296

Sec. 4903.26. As used in sections 4903.26 to 4903.2621 of 3297
the Revised Code: 3298

(A) "Docket" means an investigation, proceeding, case, or 3299
any other matter opened by a vote of the public utilities 3300

commission, except for rulemaking. 3301

(B) "Settlement" means a proposed resolution of some or 3302
all of the issues raised in an application or proceeding before 3303
the public utilities commission. 3304

(C) "Settlement agreement" means any agreement to a 3305
settlement that meets the following requirements: 3306

(1) The application or proceeding before the commission to 3307
which the agreement applies involves two or more parties, other 3308
than the utility or the staff of the commission. 3309

(2) The agreement was entered into by two or more parties. 3310

(D) "Stipulation" means an agreement, in writing, between 3311
two or more parties to an application or proceeding before the 3312
commission, concerning issues of fact, the authenticity of 3313
documents, or a settlement. 3314

(E) "Side agreement" means an agreement between two or 3315
more, but not all, of the parties to an application or 3316
proceeding before the commission, which agreement results in 3317
resolving some or all issues or disagreements between the 3318
parties to the agreement and the agreement has the following 3319
characteristics: 3320

(1) It was negotiated without participation of all parties 3321
to the application or proceeding. 3322

(2) It contains terms that are not made public. 3323

Sec. 4903.261. Parties to a docket may seek a settlement. 3324
All settlement discussions shall be conducted once all parties 3325
to the docket have received notice of the date, time, and venue 3326
for the discussions and have the opportunity to be present. 3327

Sec. 4903.263. No settlement discussion may commence until 3328
seven days after the date in which the last discovery request 3329
has been received in accordance with the rights of discovery 3330
under section 4903.082 of the Revised Code and the rules of the 3331
public utilities commission. 3332

Sec. 4903.264. Parties to a docket that enter into a 3333
settlement agreement or a stipulation shall file it with the 3334
public utilities commission. A settlement agreement or 3335
stipulation shall be entered upon the docket record. A copy of 3336
any settlement agreement or stipulation shall be served upon all 3337
parties to the docket. 3338

A stipulation concerning only issues of fact or the 3339
authenticity of documents shall be regarded and used as evidence 3340
in the docket. 3341

Sec. 4903.265. The parties to a docket that enter into a 3342
settlement agreement or stipulation including a settlement shall 3343
file with the public utilities commission any and all 3344
agreements, including side agreements, that have been negotiated 3345
between the utility and any signatory party and meet any of the 3346
following: 3347

(A) The agreement relates to energy issues in the docket. 3348

(B) The agreement was negotiated during the period 3349
commencing six months prior to the opening of the docket. 3350

(C) The agreement was negotiated during the period 3351
beginning with the filing of the application and ending when the 3352
commission or an appellate court issues a final order. 3353

Sec. 4903.266. When a written settlement agreement or 3354
stipulation including a settlement is proposed by some, but not 3355
all, of the parties to a docket, the proposing parties shall 3356

file the following with the public utilities commission: 3357

(A) The proposed settlement agreement or stipulation; 3358

(B) All documents, testimony, or exhibits, including 3359
existing record citations; 3360

(C) Agreements required to be filed under section 4903.265 3361
of the Revised Code relating to the docket; 3362

(D) Any other matters the filing parties consider relevant 3363
to the proposed settlement agreement or stipulation. 3364

Sec. 4903.267. (A) If a proposed settlement agreement or 3365
stipulation including a settlement is not supported by all 3366
parties, the parties to the proposed agreement or stipulation 3367
shall convene at least one conference, with notice and 3368
opportunity to participate provided to all parties in the 3369
docket, for the purpose of discussing the proposed agreement or 3370
stipulation. 3371

(B) A party that opposes or does not support the proposed 3372
agreement or stipulation may waive the right to notice and the 3373
opportunity to participate in a conference under division (A) of 3374
this section. 3375

Sec. 4903.269. Full discovery rights shall be afforded to 3376
all intervenors in a docket to obtain any settlement agreement, 3377
stipulation, side agreement, or other agreement, and any related 3378
documents, to the same extent as any other party to the docket. 3379

Sec. 4903.2611. If a settlement agreement or stipulation 3380
has been reached on some, but not all, of the issues, the issues 3381
not covered by the agreement or stipulation may be adjudicated 3382
until agreement is reached regarding those issues. 3383

Sec. 4903.2613. (A) Not later than thirty days after a 3384

settlement agreement or stipulation including a settlement is 3385
filed, the public utilities commission shall establish a hearing 3386
schedule on the agreement or stipulation and any remaining 3387
issues that meets both of the following: 3388

(1) The hearing shall commence not sooner than thirty days 3389
from the date the agreement or stipulation is filed. 3390

(2) The commission shall ensure that all parties have 3391
adequate time to prepare testimony and to review testimony of 3392
other parties prior to the commencement of the hearing. 3393

(B) (1) The commission shall also include an expedited 3394
period for discovery on the agreement or stipulation in relation 3395
to the hearing. 3396

(2) The commission shall extend the date of the hearing 3397
upon the motion of an intervenor who is not a party to the 3398
agreement or stipulation and has successfully demonstrated the 3399
failure of any party who is a signatory to the agreement or 3400
stipulation to fully and timely comply with a discovery request. 3401

Sec. 4903.2615. (A) If a settlement agreement or 3402
stipulation including a settlement is unanimous, the public 3403
utilities commission shall not approve the agreement unless the 3404
commission finds that the agreement or stipulation is in the 3405
public interest and is just and reasonable. 3406

(B) If a settlement agreement or stipulation concerning a 3407
settlement is not unanimous, the commission shall do both of the 3408
following: 3409

(1) Apply the same standards it applies in cases with no 3410
settlement, including that the settled issues are supported by 3411
substantial evidence and that the settling parties meet their 3412
burden of proof with clear and convincing evidence; 3413

(2) Ensure, and find, that all parties had a fair and 3414
reasonable opportunity to participate in the negotiations. 3415

Sec. 4903.2617. In reaching its decision and issuing an 3416
order on a settlement agreement or stipulation including a 3417
settlement upon the conclusion of a hearing under section 3418
4903.2613 of the Revised Code, the public utilities commission 3419
shall consider all of the following: 3420

(A) All of the record evidence, including the utility's 3421
initial filing and all testimony and documents in support 3422
thereof; 3423

(B) All intervenor testimony; 3424

(C) All briefs or comments on the agreement or 3425
stipulation. 3426

Sec. 4903.2619. (A) The public utilities commission may 3427
approve a settlement agreement or stipulation including a 3428
settlement, in whole or in part, with conditions considered 3429
necessary by the commission. 3430

(B) (1) If the agreement or stipulation does not resolve 3431
all of the issues in the docket, the commission shall decide the 3432
remaining issues in accordance with applicable law and 3433
procedure. 3434

(2) If the commission modifies the agreement or 3435
stipulation, the parties to the agreement or stipulation shall 3436
meet to determine if the parties want to proceed with the 3437
agreement or stipulation as modified by the commission or 3438
withdraw from the agreement or stipulation and file an 3439
application for a rehearing. 3440

Sec. 4903.2621. Any decision by the public utilities 3441

commission to approve a settlement agreement or stipulation 3442
shall not be construed as a precedent for any future proceeding 3443
before the commission. 3444

Sec. 4903.30. The public utilities commission shall adopt 3445
rules providing for the reimbursement of expenses by the 3446
applicant utility for any intervenor in a commission proceeding. 3447

Sec. 4905.044. (A) As used in sections 4905.044 and 3448
4905.047 of the Revised Code, "energy justice" and "energy 3449
justice principles" have the same meanings as in section 185.01 3450
of the Revised Code. 3451

(B) The public utilities commission shall, for each major 3452
decision, rulemaking, rate setting, or other action, address the 3453
likely and potential impacts of the decision or action on energy 3454
justice and energy justice principles and outcomes for 3455
residential customers. The commission shall consider such 3456
impacts as: 3457

(1) Short-term and long-term health impacts on people, 3458
government, schools, and businesses located in the surrounding 3459
area affected by the decision or action; 3460

(2) Short-term and long-term impacts on transportation, 3461
commerce, real estate values, and other economic impacts on 3462
entities and infrastructure in the surrounding area affected by 3463
the decision or action; 3464

(3) Distribution of impacts by demographic and historical 3465
factors, whether positive or negative, on communities in the 3466
area impacted by the decision or action; 3467

(4) Other impacts as appropriate. 3468

(C) In making any decision or taking any action under this 3469

section, the commission shall: 3470

(1) Seek, obtain, and consider written comments from the 3471
governor's office of energy justice created under section 185.03 3472
of the Revised Code, if comments or a report have not already 3473
been submitted in the proceeding under section 185.15 of the 3474
Revised Code and, if such comments or report have been 3475
submitted, may request that the office address specific 3476
questions or issues that are not contained in the comments or 3477
report; 3478

(2) Include a description of how it considered the report 3479
of the office and how the office's report impacted the 3480
commission's decision or action. 3481

(D) The commission's decision or action shall include 3482
specific findings of fact and conclusions of law relating to the 3483
requirements of this section and sections 185.01 to 185.15 and 3484
section 4905.047 of the Revised Code. 3485

(E) The commission shall assign a high priority to any 3486
proposals submitted by the office to initiate, conduct, and 3487
complete rulemakings or other regulatory actions impacting 3488
energy justice and energy justice principles. 3489

Sec. 4905.047. (A) At least every two years, the public 3490
utilities commission shall develop a comprehensive assessment of 3491
existing issues regarding energy justice and energy justice 3492
principles that are associated with rates, provision of energy 3493
services, operation of existing energy facilities of any kind, 3494
nonremediated issues associated with retired or closed energy 3495
facilities, and impending retirements or closures of energy 3496
facilities. Each assessment shall be conducted in consultation 3497
with the governor's office of energy justice created under 3498

section 185.03 of the Revised Code. 3499

(B) For each assessment, the commission shall hold public 3500
hearings and publish the results of the assessment in a report 3501
that includes comments and testimony submitted to the commission 3502
by interested stakeholders and offered at the hearings. 3503

(C) The report shall include a comprehensive discussion of 3504
all planned and ongoing actions by any party to address the 3505
issues regarding energy justice and energy justice principles 3506
identified in the assessment. 3507

Sec. 4905.23. (A) (1) Within ninety days of the effective 3508
date of ...B... of the 134th general assembly, the public 3509
utilities commission shall issue proposed performance-based 3510
rules. 3511

(2) The purpose of these rules shall be to align the 3512
interests of public utilities with those of the public and to 3513
provide incentives for public utilities to improve their 3514
performance in areas the commission deems necessary. The 3515
proposed rules shall, at a minimum, set forth: 3516

(a) The process for establishing performance metrics, 3517
including baselines, targets, and means of measurement; 3518

(b) The frequency of review for resetting the baseline and 3519
targets; 3520

(c) The procedure for determining whether incentives will 3521
be established for selected metrics; 3522

(d) A methodology for establishing incentives as described 3523
in section 4905.24 of the Revised Code. 3524

(B) (1) The commission shall solicit public input on the 3525
proposed rules described in division (A) of this section. The 3526

public input process shall, at a minimum, consist of the 3527
following components: 3528

(a) At least two public meetings hosted by the commission, 3529
where stakeholders and interested parties may testify regarding 3530
the proposed rules; 3531

(b) A public comment period of one month in length; and 3532

(c) A reply comment period of one month in length. 3533

(2) The commission shall make all testimony offered in 3534
written form, public comments, and reply comments received 3535
throughout the public input process available for access on the 3536
commission's web site. 3537

(C) Within 90 days of the conclusion of the public input 3538
process, the commission shall issue final rules that include the 3539
components set forth in division (A) (2) of this section and 3540
incorporate any changes the commission deems necessary following 3541
the public input process. 3542

Sec. 4905.24. (A) The public utilities commission may 3543
create incentives to serve as rewards for reaching the 3544
performance targets the commission sets forth pursuant to 3545
section 4905.23 of the Revised Code, as well as penalties for 3546
failing to reach such targets. 3547

(B) Incentive payments for which the public utility is 3548
eligible, should the public utility meet all of its performance 3549
targets, shall not exceed the public utility's most recently 3550
approved return on equity by more than one-half of one per cent. 3551

Sec. 4905.25. (A) All public utilities commission 3552
proceedings to establish metrics, baselines, and targets for a 3553
particular public utility and to consider which metrics shall be 3554

subject to a penalty or incentive shall occur in an open and 3555
transparent proceeding for each public utility. 3556

(B) After a hearing, the commission shall issue an order 3557
that includes findings of fact and conclusions of law setting 3558
forth the metrics, targets, and penalties or rewards. 3559

(C) The commission shall also establish periodic reporting 3560
requirements for the metrics, which it shall make available on 3561
its web site for public review. 3562

Sec. 4905.31. Chapters 4901., 4903., 4905., 4907., 4909., 3563
4921., 4923., 4927., 4928., and 4929. of the Revised Code do not 3564
prohibit a public utility from filing a schedule or establishing 3565
or entering into any reasonable arrangement with another public 3566
utility or with one or more of its customers, consumers, or 3567
employees, and do not prohibit a mercantile customer of an 3568
electric distribution utility as those terms are defined in 3569
section 4928.01 of the Revised Code or a group of those 3570
customers from establishing a reasonable arrangement with that 3571
utility or another public utility electric light company, 3572
providing for any of the following: 3573

(A) The division or distribution of its surplus profits; 3574

(B) A sliding scale of charges, including variations in 3575
rates based upon stipulated variations in cost as provided in 3576
the schedule or arrangement. 3577

(C) A minimum charge for service to be rendered unless 3578
such minimum charge is made or prohibited by the terms of the 3579
franchise, grant, or ordinance under which such public utility 3580
is operated; 3581

(D) A classification of service based upon the quantity 3582
used, the time when used, the purpose for which used, the 3583

duration of use, and any other reasonable consideration; 3584

(E) Any other financial device that may be practicable or 3585
advantageous to the parties interested. In the case of a 3586
schedule or arrangement concerning a public utility electric 3587
light company, such other financial device may include a device 3588
to recover costs incurred in conjunction with any economic 3589
development and job retention program of the utility within its 3590
certified territory, including recovery of revenue ~~foregone~~ 3591
forgone as a result of any such program; any development and 3592
implementation of peak demand reduction and energy ~~efficiency~~ 3593
waste reduction programs under section 4928.66 of the Revised 3594
Code; any acquisition and deployment of advanced metering, 3595
including the costs of any meters prematurely retired as a 3596
result of the advanced metering implementation; and compliance 3597
with any government mandate. 3598

No such schedule or arrangement is lawful unless it is 3599
filed with and approved by the commission pursuant to an 3600
application that is submitted by the public utility or the 3601
mercantile customer or group of mercantile customers of an 3602
electric distribution utility and is posted on the commission's 3603
docketing information system and is accessible through the 3604
internet. 3605

Every such public utility is required to conform its 3606
schedules of rates, tolls, and charges to such arrangement, 3607
sliding scale, classification, or other device, and where 3608
variable rates are provided for in any such schedule or 3609
arrangement, the cost data or factors upon which such rates are 3610
based and fixed shall be filed with the commission in such form 3611
and at such times as the commission directs. 3612

Every such schedule or reasonable arrangement shall be 3613

under the supervision and regulation of the commission, and is 3614
subject to change, alteration, or modification by the 3615
commission. 3616

Sec. 4906.01. As used in Chapter 4906. of the Revised 3617
Code: 3618

(A) "Energy justice" and "energy justice principles" have 3619
the same meaning as in section 185.01 of the Revised Code. 3620

(B) "Person" means an individual, corporation, business 3621
trust, association, estate, trust, or partnership or any 3622
officer, board, commission, department, division, or bureau of 3623
the state or a political subdivision of the state, or any other 3624
entity. 3625

~~(B)(1)~~ (C)(1) "Major utility facility" means: 3626

(a) Electric generating plant and associated facilities 3627
designed for, or capable of, operation at a capacity of fifty 3628
megawatts or more; 3629

(b) An electric transmission line and associated 3630
facilities of a design capacity of one hundred kilovolts or 3631
more; 3632

(c) A gas pipeline that is greater than five hundred feet 3633
in length, and its associated facilities, is more than nine 3634
inches in outside diameter and is designed for transporting gas 3635
at a maximum allowable operating pressure in excess of one 3636
hundred twenty-five pounds per square inch. 3637

(2) "Major utility facility" does not include any of the 3638
following: 3639

(a) Gas transmission lines over which an agency of the 3640
United States has exclusive jurisdiction; 3641

(b) Any solid waste facilities as defined in section 6123.01 of the Revised Code;	3642 3643
(c) Electric distributing lines and associated facilities as defined by the power siting board;	3644 3645
(d) Any manufacturing facility that creates byproducts that may be used in the generation of electricity as defined by the power siting board;	3646 3647 3648
(e) Gathering lines, gas gathering pipelines, and processing plant gas stub pipelines as those terms are defined in section 4905.90 of the Revised Code and associated facilities;	3649 3650 3651 3652
(f) Any gas processing plant as defined in section 4905.90 of the Revised Code;	3653 3654
(g) Natural gas liquids finished product pipelines;	3655
(h) Pipelines from a gas processing plant as defined in section 4905.90 of the Revised Code to a natural gas liquids fractionation plant, including a raw natural gas liquids pipeline, or to an interstate or intrastate gas pipeline;	3656 3657 3658 3659
(i) Any natural gas liquids fractionation plant;	3660
(j) A production operation as defined in section 1509.01 of the Revised Code, including all pipelines upstream of any gathering lines;	3661 3662 3663
(k) Any compressor stations used by the following:	3664
(i) A gathering line, a gas gathering pipeline, a processing plant gas stub pipeline, or a gas processing plant as those terms are defined in section 4905.90 of the Revised Code;	3665 3666 3667
(ii) A natural gas liquids finished product pipeline, a	3668

natural gas liquids fractionation plant, or any pipeline 3669
upstream of a natural gas liquids fractionation plant; or 3670

(iii) A production operation as defined in section 1509.01 3671
of the Revised Code. 3672

~~(C)~~(D) "Commence to construct" means any clearing of 3673
land, excavation, or other action that would adversely affect 3674
the natural environment of the site or route of a major utility 3675
facility, but does not include surveying changes needed for 3676
temporary use of sites or routes for nonutility purposes, or 3677
uses in securing geological data, including necessary borings to 3678
ascertain foundation conditions. 3679

~~(D)~~(E) "Certificate" means a certificate of environmental 3680
compatibility and public need issued by the power siting board 3681
under section 4906.10 of the Revised Code or a construction 3682
certificate issued by the board under rules adopted under 3683
division ~~(E)~~(B) or ~~(F)~~(C) of section 4906.03 of the Revised 3684
Code. 3685

~~(E)~~(F) "Gas" means natural gas, flammable gas, or gas 3686
that is toxic or corrosive. 3687

~~(F)~~(G) "Natural gas liquids finished product pipeline" 3688
means a pipeline that carries finished product natural gas 3689
liquids to the inlet of an interstate or intrastate finished 3690
product natural gas liquid transmission pipeline, rail loading 3691
facility, or other petrochemical or refinery facility. 3692

~~(G)~~(H) "Large solar facility" means an electric 3693
generating plant that consists of solar panels and associated 3694
facilities with a single interconnection to the electrical grid 3695
that is a major utility facility. 3696

~~(H)~~(I) "Large wind farm" means an electric generating 3697

plant that consists of wind turbines and associated facilities 3698
with a single interconnection to the electrical grid that is a 3699
major utility facility. 3700

~~(I)~~ (J) "Natural gas liquids fractionation plant" means a 3701
facility that takes a feed of raw natural gas liquids and 3702
produces finished product natural gas liquids. 3703

~~(J)~~ (K) "Raw natural gas" means hydrocarbons that are 3704
produced in a gaseous state from gas wells and that generally 3705
include methane, ethane, propane, butanes, pentanes, hexanes, 3706
heptanes, octanes, nonanes, and decanes, plus other naturally 3707
occurring impurities like water, carbon dioxide, hydrogen 3708
sulfide, nitrogen, oxygen, and helium. 3709

~~(K)~~ (L) "Raw natural gas liquids" means naturally 3710
occurring hydrocarbons contained in raw natural gas that are 3711
extracted in a gas processing plant and liquefied and generally 3712
include mixtures of ethane, propane, butanes, and natural 3713
gasoline. 3714

~~(L)~~ (M) "Finished product natural gas liquids" means an 3715
individual finished product produced by a natural gas liquids 3716
fractionation plant as a liquid that meets the specifications 3717
for commercial products as defined by the gas processors 3718
association. Those products include ethane, propane, iso-butane, 3719
normal butane, and natural gasoline. 3720

Sec. 4906.02. (A) (1) There is hereby created within the 3721
public utilities commission the power siting board, composed of 3722
the chairperson of the public utilities commission, the director 3723
of environmental protection, the director of health, the 3724
director of development, the director of natural resources, the 3725
director of agriculture, and a representative of the public who 3726

shall be an engineer and shall be appointed by the governor, 3727
from a list of three nominees submitted to the governor by the 3728
office of the consumers' counsel, with the advice and consent of 3729
the senate and shall serve for a term of four years. The 3730
chairperson of the public utilities commission shall be 3731
chairperson of the board and its chief executive officer. The 3732
chairperson shall designate one of the voting members of the 3733
board to act as vice-chairperson who shall possess during the 3734
absence or disability of the chairperson all of the powers of 3735
the chairperson. All hearings, studies, and consideration of 3736
applications for certificates shall be conducted by the board or 3737
representatives of its members. 3738

In addition, the board shall include four legislative 3739
members who may participate fully in all the board's 3740
deliberations and activities except that they shall serve as 3741
nonvoting members. The speaker of the house of representatives 3742
shall appoint one legislative member, and the president of the 3743
senate and minority leader of each house shall each appoint one 3744
legislative member. Each such legislative leader shall designate 3745
an alternate to attend meetings of the board when the regular 3746
legislative member appointed by the legislative leader is unable 3747
to attend. Each legislative member and alternate shall serve for 3748
the duration of the elected term that the legislative member is 3749
serving at the time of appointment. A quorum of the board is a 3750
majority of its voting members. 3751

The representative of the public and, notwithstanding 3752
section 101.26 of the Revised Code, legislative members of the 3753
board or their designated alternates, when engaged in their 3754
duties as members of the board, shall be paid at the per diem 3755
rate of step 1, pay range 32, under schedule B of section 124.15 3756
of the Revised Code and shall be reimbursed for the actual and 3757

necessary expenses they incur in the discharge of their official 3758
duties. 3759

(2) In all cases involving an application for a 3760
certificate or a material amendment to an existing certificate 3761
for a utility facility, as defined in section 303.57 of the 3762
Revised Code, the board shall include two voting ad hoc members, 3763
as described in section 4906.021 of the Revised Code. 3764

(B) The chairperson shall keep a complete record of all 3765
proceedings of the board, issue all necessary process, writs, 3766
warrants, and notices, keep all books, maps, documents, and 3767
papers ordered filed by the board, conduct investigations 3768
pursuant to section 4906.07 of the Revised Code, and perform 3769
such other duties as the board may prescribe. 3770

(C) The chairperson of the public utilities commission may 3771
assign or transfer duties among the commission's staff. However, 3772
the board's authority to grant certificates under section 3773
4906.10 of the Revised Code shall not be exercised by any 3774
officer, employee, or body other than the board itself. 3775

(D) (1) The chairperson may call to the chairperson's 3776
assistance, temporarily, any employee of the environmental 3777
protection agency, the department of natural resources, the 3778
department of agriculture, the department of health, ~~or~~ the 3779
department of development, or the governor's office of energy 3780
justice, for the purpose of making studies, conducting hearings, 3781
investigating applications, or preparing any report required or 3782
authorized under this chapter. Such employees shall not receive 3783
any additional compensation over that which they receive from 3784
the agency by which they are employed, but they shall be 3785
reimbursed for their actual and necessary expenses incurred 3786
while working under the direction of the chairperson. All 3787

contracts for special services are subject to the approval of 3788
the chairperson. 3789

(2) Subject to controlling board approval, the board may 3790
contract for the services of any expert or analyst, other than 3791
an employee described in division (D)(1) of this section, for 3792
the purposes of carrying out the board's powers and duties as 3793
described in Chapter 4906. of the Revised Code. Any such expert 3794
or analyst shall be compensated from the application fee, or if 3795
necessary, supplemental application fees assessed in accordance 3796
with division (F) of section 4906.06 of the Revised Code. 3797

(E) The board's offices shall be located in those of the 3798
public utilities commission.- 3799

Sec. 4906.03. (A) The power siting board shall: 3800

~~(A)~~ (1) Require such information from persons subject to 3801
its jurisdiction as it considers necessary to assist in the 3802
conduct of hearings and any investigations or studies it may 3803
undertake; 3804

~~(B)~~ (2) Conduct any studies or investigations that it 3805
considers necessary or appropriate to carry out its 3806
responsibilities under this chapter; 3807

~~(C)~~ (3) Adopt rules establishing criteria for evaluating 3808
the effects on environmental values of proposed and alternative 3809
sites, and projected needs for electric power, and such other 3810
rules as are necessary and convenient to implement this chapter, 3811
including rules governing application fees, supplemental 3812
application fees, and other reasonable fees to be paid by 3813
persons subject to the board's jurisdiction. The board shall 3814
make an annual accounting of its collection and use of these 3815
fees and shall issue an annual report of its accounting, in the 3816

form and manner prescribed by its rules, not later than the last 3817
day of June of the year following the calendar year to which the 3818
report applies. 3819

~~(D) Approve, disapprove, or modify and approve~~ 3820
~~applications for certificates;~~ 3821

~~(E)~~ (4) In each application considered, decision issued, 3822
or investigation conducted, address the likely and potential 3823
impacts of the decision or action on energy justice outcomes for 3824
residential customers; 3825

(5) Adopt rules that establish the following: 3826

(a) A requirement that applications must provide an 3827
assessment of energy justice impacts associated with the 3828
proposal; 3829

(b) A suspension of any accelerated review of an 3830
application under division (C) of this section whenever a 3831
significant adverse impact on energy justice is reasonably 3832
likely as a result of the proposed project; 3833

(c) If an accelerated review is suspended because of a 3834
significant adverse impact on energy justice, a requirement that 3835
the applicant provide a comprehensive assessment of the benefits 3836
and costs, including energy justice impacts, of the proposed 3837
action and any proposed mitigation to address the adverse 3838
impact. 3839

(6) Consider the report of the governor's office of energy 3840
justice, if presented in the proceeding as it relates to the 3841
application before the board; 3842

(7) In any decision issued, explain how energy justice 3843
issues were evaluated and factored into any decision on the 3844

application, the mitigation required to avoid or minimize 3845
adverse energy justice impacts, and the monitoring, reporting, 3846
and compliance actions required from the applicant as a 3847
condition of approval; 3848

(8) Approve, disapprove, or modify and approve 3849
applications for certificates. 3850

(B) Notwithstanding sections 4906.06 to 4906.14 of the 3851
Revised Code, the board may adopt rules to provide for an 3852
accelerated review of an application for a construction 3853
certificate for construction of a major utility facility related 3854
to a coal research and development project as defined in section 3855
1555.01 of the Revised Code, or to a coal development project as 3856
defined in section 1551.30 of the Revised Code, submitted to the 3857
Ohio coal development office for review under division (B) (7) of 3858
section 1551.33 of the Revised Code. Applications for 3859
construction certificates for construction of major utility 3860
facilities for Ohio coal research and development shall be filed 3861
with the board on the same day as the proposed facility or 3862
project is submitted to the Ohio coal development office for 3863
review. 3864

The board shall render a decision on an application for a 3865
construction certificate within ninety days after receipt of the 3866
application and all of the data and information it may require 3867
from the applicant. In rendering a decision on an application 3868
for a construction certificate, the board shall only consider 3869
the criteria and make the findings and determinations set forth 3870
in divisions (A) (2), (3), (5), and (7) and division (B) of 3871
section 4906.10 of the Revised Code. 3872

~~(F)~~ (C) Notwithstanding sections 4906.06 to 4906.14 of the 3873
Revised Code, the board shall adopt rules to provide for an 3874

accelerated review of an application for a construction	3875
certificate for any of the following:	3876
(1) An electric transmission line that is:	3877
(a) Not more than two miles in length;	3878
(b) Primarily needed to attract or meet the requirements	3879
of a specific customer or specific customers;	3880
(c) Necessary to maintain reliable electric service as a	3881
result of the retirement or shutdown of an electric generating	3882
facility located within the state; or	3883
(d) A rebuilding of an existing transmission line.	3884
(2) An electric generating facility that uses waste heat	3885
or natural gas and is primarily within the current boundary of	3886
an existing industrial or electric generating facility;	3887
(3) A gas pipeline that is not more than five miles in	3888
length or is primarily needed to meet the requirements of a	3889
specific customer or specific customers.	3890
The board shall adopt rules that provide for the automatic	3891
certification to any entity described in this division when an	3892
application by any such entity is not suspended by the board, an	3893
administrative law judge, or the chairperson or executive	3894
director of the board for good cause shown, within ninety days	3895
of submission of the application. If an application is	3896
suspended, the board shall approve, disapprove, or modify and	3897
approve the application not later than ninety days after the	3898
date of the suspension.	3899
Sec. 4906.20. (A) No person shall commence to construct an	3900
economically significant wind farm in this state without first	3901
having obtained a certificate from the power siting board. An	3902

economically significant wind farm with respect to which such a
certificate is required shall be constructed, operated, and
maintained in conformity with that certificate and any terms,
conditions, and modifications it contains. A certificate shall
be issued only pursuant to this section. The certificate may be
transferred, subject to the approval of the board, to a person
that agrees to comply with those terms, conditions, and
modifications.

(B) The board shall adopt rules governing the
certificating of economically significant wind farms under this
section. Initial rules shall be adopted within one hundred
twenty days after June 24, 2008.

(1) The rules shall provide for an application process for
certificating economically significant wind farms that is
identical to the extent practicable to the process applicable to
certificating major utility facilities under sections 4906.06,
~~4906.07, 4906.08, 4906.09, 4906.10, 4906.11,~~ and to 4906.12 of
the Revised Code and shall prescribe a reasonable schedule of
application filing fees structured in the manner of the schedule
of filing fees required for major utility facilities.

(2) Additionally, the rules shall prescribe reasonable
regulations regarding any wind turbines and associated
facilities of an economically significant wind farm, including,
but not limited to, their location, erection, construction,
reconstruction, change, alteration, maintenance, removal, use,
or enlargement and including erosion control, aesthetics,
recreational land use, wildlife protection, interconnection with
power lines and with regional transmission organizations,
independent transmission system operators, or similar
organizations, ice throw, sound and noise levels, blade shear,

shadow flicker, decommissioning, and necessary cooperation for 3933
site visits and enforcement investigations. 3934

(a) The rules also shall prescribe a minimum setback for a 3935
wind turbine of an economically significant wind farm. That 3936
minimum shall be equal to a horizontal distance, from the 3937
turbine's base to the property line of the wind farm property, 3938
equal to one and one-tenth times the total height of the turbine 3939
structure as measured from its base to the tip of its highest 3940
blade and be at least one thousand one hundred twenty-five feet 3941
in horizontal distance from the tip of the turbine's nearest 3942
blade at ninety degrees to ~~property line~~ the exterior of the 3943
nearest habitable residential structure, if any, located on 3944
adjacent property at the time of the certification application. 3945

(b) (i) For any existing certificates and amendments 3946
thereto, and existing certification applications that have been 3947
found by the chairperson to be in compliance with division (A) 3948
of section 4906.06 of the Revised Code before the effective date 3949
of the amendment of this section by H.B. 59 of the 130th general 3950
assembly, September 29, 2013, the distance shall be seven 3951
hundred fifty feet instead of one thousand one hundred twenty- 3952
five feet. 3953

(ii) Any amendment made to an existing certificate after 3954
the effective date of the amendment of this section by H.B. 483 3955
of the 130th general assembly, September 15, 2014, and before 3956
the effective date of the amendment of this section by B 3957
of the 134th general assembly shall be subject to the setback 3958
provision of this section as amended by ~~that act~~ H.B. 483 of the 3959
130th general assembly. The amendments to this section by ~~that~~ 3960
~~act~~ H.B. 483 of the 130th general assembly shall not be 3961
construed to limit or abridge any rights or remedies in equity 3962

or under the common law. 3963

(iii) Any amendment made to an existing certificate after 3964
the effective date of the amendment of this section by B 3965
of the 134th general assembly shall be subject to the setback 3966
provision of this section as amended by that act. The amendments 3967
to this section by that act shall not be construed to limit or 3968
abridge any rights or remedies in equity or under the common 3969
law. 3970

(c) The setback shall apply in all cases except those in 3971
which all owners of property adjacent to the wind farm property 3972
waive application of the setback to that property pursuant to a 3973
procedure the board shall establish by rule and except in which, 3974
in a particular case, the board determines that a setback 3975
greater than the minimum is necessary. 3976

Sec. 4906.201. (A) An electric generating plant that 3977
consists of wind turbines and associated facilities with a 3978
single interconnection to the electrical grid that is designed 3979
for, or capable of, operation at an aggregate capacity of fifty 3980
megawatts or more is subject to the minimum setback requirements 3981
established in rules adopted by the power siting board under 3982
division (B) (2) of section 4906.20 of the Revised Code. 3983

(B) (1) For any existing certificates and amendments 3984
thereto, and existing certification applications that have been 3985
found by the chairperson to be in compliance with division (A) 3986
of section 4906.06 of the Revised Code before the effective date 3987
of the amendment of this section by H.B. 59 of the 130th general 3988
assembly, September 29, 2013, the distance shall be seven 3989
hundred fifty feet instead of one thousand one hundred twenty- 3990
five feet. 3991

(2) Any amendment made to an existing certificate after 3992
the effective date of the amendment of this section by H.B. 483 3993
of the 130th general assembly, September 15, 2014, and before 3994
the effective date of the amendment of this section by ___ B ___ 3995
of the 134th general assembly shall be subject to the setback 3996
provision of this section as amended by ~~that act~~ H.B. 483 of the 3997
130th general assembly. The amendments to this section by ~~that~~ 3998
~~act~~ H.B. 483 of the 130th general assembly shall not be 3999
construed to limit or abridge any rights or remedies in equity 4000
or under the common law. 4001

(3) Any amendment made to an existing certificate after 4002
the effective date of the amendment of this section by ___ B ___ 4003
of the 134th general assembly shall be subject to the setback 4004
provision of this section as amended by that act. The amendments 4005
to this section by that act shall not be construed to limit or 4006
abridge any rights or remedies in equity or under the common 4007
law. 4008

Sec. 4911.02. (A) The consumers' counsel shall be 4009
appointed by the consumers' counsel governing board, and shall 4010
hold office at the pleasure of the board. 4011

(B) (1) The counsel may sue or be sued and has the powers 4012
and duties granted the counsel under this chapter, and all 4013
necessary powers to carry out the purposes of this chapter. 4014

(2) Without limitation because of enumeration, the 4015
counsel: 4016

(a) Shall have all the rights and powers of any party in 4017
interest appearing before the public utilities commission 4018
regarding examination and cross-examination of witnesses, 4019
presentation of evidence, and other matters; 4020

(b) May take appropriate action with respect to 4021
residential consumer complaints concerning quality of service, 4022
service charges, and the operation of the public utilities 4023
commission; 4024

(c) May institute, intervene in, or otherwise participate 4025
in proceedings in both state and federal courts and 4026
administrative agencies on behalf of the residential consumers 4027
concerning review of decisions rendered by, or failure to act 4028
by, the public utilities commission; 4029

(d) May conduct long range studies concerning various 4030
topics relevant to the rates charged to residential consumers; 4031

(e) On behalf of residential consumers and without posting 4032
a bond or any form of surety, may seek a stay of the 4033
implementation of any commission order that the counsel is 4034
appealing. 4035

~~(C) The counsel shall follow the policies of the state as~~ 4036
~~set forth in Chapter 4929. of the Revised Code that involve~~ 4037
~~supporting retail natural gas competition.~~ 4038

Sec. 4928.01. (A) As used in this chapter: 4039

(1) "Ancillary service" means any function necessary to 4040
the provision of electric transmission or distribution service 4041
to a retail customer and includes, but is not limited to, 4042
scheduling, system control, and dispatch services; reactive 4043
supply from generation resources and voltage control service; 4044
reactive supply from transmission resources service; regulation 4045
service; frequency response service; energy imbalance service; 4046
operating reserve-spinning reserve service; operating reserve- 4047
supplemental reserve service; load following; back-up supply 4048
service; real-power loss replacement service; dynamic 4049

scheduling; system black start capability; and network stability 4050
service. 4051

(2) "Billing and collection agent" means a fully 4052
independent agent, not affiliated with or otherwise controlled 4053
by an electric utility, electric services company, electric 4054
cooperative, or governmental aggregator subject to certification 4055
under section 4928.08 of the Revised Code, to the extent that 4056
the agent is under contract with such utility, company, 4057
cooperative, or aggregator solely to provide billing and 4058
collection for retail electric service on behalf of the utility 4059
company, cooperative, or aggregator. 4060

(3) "Certified territory" means the certified territory 4061
established for an electric supplier under sections 4933.81 to 4062
4933.90 of the Revised Code. 4063

(4) "Competitive retail electric service" means a 4064
component of retail electric service that is competitive as 4065
provided under division (B) of this section. 4066

(5) "Electric cooperative" means a not-for-profit electric 4067
light company that both is or has been financed in whole or in 4068
part under the "Rural Electrification Act of 1936," 49 Stat. 4069
1363, 7 U.S.C. 901, and owns or operates facilities in this 4070
state to generate, transmit, or distribute electricity, or a 4071
not-for-profit successor of such company. 4072

(6) "Electric distribution utility" means an electric 4073
utility that supplies at least retail electric distribution 4074
service. 4075

(7) "Electric light company" has the same meaning as in 4076
section 4905.03 of the Revised Code and includes an electric 4077
services company, but excludes any self-generator to the extent 4078

that it consumes electricity it so produces, sells that 4079
electricity for resale, or obtains electricity from a generating 4080
facility it hosts on its premises. 4081

(8) "Electric load center" has the same meaning as in 4082
section 4933.81 of the Revised Code. 4083

(9) "Electric services company" means an electric light 4084
company that is engaged on a for-profit or not-for-profit basis 4085
in the business of supplying or arranging for the supply of only 4086
a competitive retail electric service in this state. "Electric 4087
services company" includes a power marketer, power broker, 4088
aggregator, or independent power producer but excludes an 4089
electric cooperative, municipal electric utility, governmental 4090
aggregator, or billing and collection agent. 4091

(10) "Electric supplier" has the same meaning as in 4092
section 4933.81 of the Revised Code. 4093

(11) "Electric utility" means an electric light company 4094
that has a certified territory and is engaged on a for-profit 4095
basis either in the business of supplying a noncompetitive 4096
retail electric service in this state or in the businesses of 4097
supplying both a noncompetitive and a competitive retail 4098
electric service in this state. "Electric utility" excludes a 4099
municipal electric utility or a billing and collection agent. 4100

(12) "Firm electric service" means electric service other 4101
than nonfirm electric service. 4102

(13) "Governmental aggregator" means a legislative 4103
authority of a municipal corporation, a board of township 4104
trustees, or a board of county commissioners acting as an 4105
aggregator for the provision of a competitive retail electric 4106
service under authority conferred under section 4928.20 of the 4107

Revised Code. 4108

(14) A person acts "knowingly," regardless of the person's 4109
purpose, when the person is aware that the person's conduct will 4110
probably cause a certain result or will probably be of a certain 4111
nature. A person has knowledge of circumstances when the person 4112
is aware that such circumstances probably exist. 4113

(15) "Level of funding for low-income customer energy 4114
~~efficiency-waste reduction~~ programs provided through electric 4115
utility rates" means the level of funds specifically included in 4116
an electric utility's rates on October 5, 1999, pursuant to an 4117
order of the public utilities commission issued under Chapter 4118
4905. or 4909. of the Revised Code and in effect on October 4, 4119
1999, for the purpose of improving the energy ~~efficiency-waste~~
reduction of housing for the utility's low-income customers. The 4120
term excludes the level of any such funds committed to a 4121
specific nonprofit organization or organizations pursuant to a 4122
stipulation or contract. 4123
4124

(16) "Low-income customer assistance programs" means the 4125
percentage of income payment plan program, the home energy 4126
assistance program, the home weatherization assistance program, 4127
and the targeted energy ~~efficiency-waste reduction~~ and 4128
weatherization program. 4129

(17) "Market development period" for an electric utility 4130
means the period of time beginning on the starting date of 4131
competitive retail electric service and ending on the applicable 4132
date for that utility as specified in section 4928.40 of the 4133
Revised Code, irrespective of whether the utility applies to 4134
receive transition revenues under this chapter. 4135

(18) "Market power" means the ability to impose on 4136

customers a sustained price for a product or service above the 4137
price that would prevail in a competitive market. 4138

(19) "Mercantile customer" means a commercial or 4139
industrial customer if the electricity consumed is for 4140
nonresidential use and the customer consumes more than seven 4141
hundred thousand kilowatt hours per year or is part of a 4142
national account involving multiple facilities in one or more 4143
states. 4144

(20) "Municipal electric utility" means a municipal 4145
corporation that owns or operates facilities to generate, 4146
transmit, or distribute electricity. 4147

(21) "Noncompetitive retail electric service" means a 4148
component of retail electric service that is noncompetitive as 4149
provided under division (B) of this section. 4150

(22) "Nonfirm electric service" means electric service 4151
provided pursuant to a schedule filed under section 4905.30 of 4152
the Revised Code or pursuant to an arrangement under section 4153
4905.31 of the Revised Code, which schedule or arrangement 4154
includes conditions that may require the customer to curtail or 4155
interrupt electric usage during nonemergency circumstances upon 4156
notification by an electric utility. 4157

(23) "Percentage of income payment plan arrears" means 4158
funds eligible for collection through the percentage of income 4159
payment plan rider, but uncollected as of July 1, 2000. 4160

(24) "Person" has the same meaning as in section 1.59 of 4161
the Revised Code. 4162

(25) "Advanced energy project" means any technologies, 4163
products, activities, or management practices or strategies that 4164
facilitate the generation or use of electricity or energy and 4165

that reduce or support the reduction of energy consumption or 4166
support the production of clean, renewable energy for 4167
industrial, distribution, commercial, institutional, 4168
governmental, research, not-for-profit, or residential energy 4169
users, including, but not limited to, advanced energy resources 4170
and renewable energy resources. "Advanced energy project" also 4171
includes any project described in division (A), (B), or (C) of 4172
section 4928.621 of the Revised Code. 4173

(26) "Regulatory assets" means the unamortized net 4174
regulatory assets that are capitalized or deferred on the 4175
regulatory books of the electric utility, pursuant to an order 4176
or practice of the public utilities commission or pursuant to 4177
generally accepted accounting principles as a result of a prior 4178
commission rate-making decision, and that would otherwise have 4179
been charged to expense as incurred or would not have been 4180
capitalized or otherwise deferred for future regulatory 4181
consideration absent commission action. "Regulatory assets" 4182
includes, but is not limited to, all deferred demand-side 4183
management costs; all deferred percentage of income payment plan 4184
arrears; post-in-service capitalized charges and assets 4185
recognized in connection with statement of financial accounting 4186
standards no. 109 (receivables from customers for income taxes); 4187
future nuclear decommissioning costs and fuel disposal costs as 4188
those costs have been determined by the commission in the 4189
electric utility's most recent rate or accounting application 4190
proceeding addressing such costs; the undepreciated costs of 4191
safety and radiation control equipment on nuclear generating 4192
plants owned or leased by an electric utility; and fuel costs 4193
currently deferred pursuant to the terms of one or more 4194
settlement agreements approved by the commission. 4195

(27) "Retail electric service" means any service involved 4196

in supplying or arranging for the supply of electricity to 4197
ultimate consumers in this state, from the point of generation 4198
to the point of consumption. For the purposes of this chapter, 4199
retail electric service includes one or more of the following 4200
"service components": generation service, aggregation service, 4201
power marketing service, power brokerage service, transmission 4202
service, distribution service, ancillary service, metering 4203
service, and billing and collection service. 4204

(28) "Starting date of competitive retail electric 4205
service" means January 1, 2001. 4206

(29) "Customer-generator" means a user of a net metering 4207
system. 4208

(30) "Net metering" means measuring the difference in an 4209
applicable billing period between the electricity supplied by an 4210
electric service provider and the electricity generated by a 4211
customer-generator that is fed back to the electric service 4212
provider. 4213

(31) "Net metering system" means a facility for the 4214
production of electrical energy that does all of the following: 4215

(a) Uses as its fuel either solar, wind, biomass, landfill 4216
gas, or hydropower, or uses a microturbine or a fuel cell; 4217

(b) Is located on a customer-generator's premises; 4218

(c) Operates in parallel with the electric utility's 4219
transmission and distribution facilities; 4220

(d) Is intended primarily to offset part or all of the 4221
customer-generator's requirements for electricity. For an 4222
industrial customer-generator with a net metering system that 4223
has a capacity of less than twenty megawatts and uses wind as 4224

energy, this means the net metering system was sized so as to 4225
not exceed one hundred per cent of the customer-generator's 4226
annual requirements for electric energy at the time of 4227
interconnection. 4228

(32) "Self-generator" means an entity in this state that 4229
owns or hosts on its premises an electric generation facility 4230
that produces electricity primarily for the owner's consumption 4231
and that may provide any such excess electricity to another 4232
entity, whether the facility is installed or operated by the 4233
owner or by an agent under a contract. 4234

(33) "Rate plan" means the standard service offer in 4235
effect on the effective date of the amendment of this section by 4236
S.B. 221 of the 127th general assembly, July 31, 2008. 4237

(34) "Advanced energy resource" means any of the 4238
following: 4239

(a) Any method or any modification or replacement of any 4240
property, process, device, structure, or equipment that 4241
increases the generation output of an electric generating 4242
facility to the extent such efficiency is achieved without 4243
additional carbon dioxide emissions by that facility; 4244

(b) Any distributed generation system consisting of 4245
customer cogeneration technology; 4246

(c) Clean coal technology that includes a carbon-based 4247
product that is chemically altered before combustion to 4248
demonstrate a reduction, as expressed as ash, in emissions of 4249
nitrous oxide, mercury, arsenic, chlorine, sulfur dioxide, or 4250
sulfur trioxide in accordance with the American society of 4251
testing and materials standard D1757A or a reduction of metal 4252
oxide emissions in accordance with standard D5142 of that 4253

society, or clean coal technology that includes the design 4254
capability to control or prevent the emission of carbon dioxide, 4255
which design capability the commission shall adopt by rule and 4256
shall be based on economically feasible best available 4257
technology or, in the absence of a determined best available 4258
technology, shall be of the highest level of economically 4259
feasible design capability for which there exists generally 4260
accepted scientific opinion; 4261

(d) Advanced nuclear energy technology consisting of 4262
generation III technology as defined by the nuclear regulatory 4263
commission; other, later technology; or significant improvements 4264
to existing facilities; 4265

(e) Any fuel cell used in the generation of electricity, 4266
including, but not limited to, a proton exchange membrane fuel 4267
cell, phosphoric acid fuel cell, molten carbonate fuel cell, or 4268
solid oxide fuel cell; 4269

(f) Advanced solid waste or construction and demolition 4270
debris conversion technology, including, but not limited to, 4271
advanced stoker technology, and advanced fluidized bed 4272
gasification technology, that results in measurable greenhouse 4273
gas emissions reductions as calculated pursuant to the United 4274
States environmental protection agency's waste reduction model 4275
(WARM); 4276

(g) Demand-side management and any energy ~~efficiency~~ waste 4277
reduction improvement; 4278

(h) Any new, retrofitted, refueled, or repowered 4279
generating facility located in Ohio, including a simple or 4280
combined-cycle natural gas generating facility or a generating 4281
facility that uses biomass, coal, modular nuclear, or any other 4282

fuel as its input;	4283
(i) Any uprated capacity of an existing electric	4284
generating facility if the uprated capacity results from the	4285
deployment of advanced technology.	4286
"Advanced energy resource" does not include a waste energy	4287
recovery system that is, or has been, included in an energy	4288
efficiency <u>waste reduction</u> program of an electric distribution	4289
utility pursuant to requirements under section 4928.66 of the	4290
Revised Code.	4291
(35) "Air contaminant source" has the same meaning as in	4292
section 3704.01 of the Revised Code.	4293
(36) "Cogeneration technology" means technology that	4294
produces electricity and useful thermal output simultaneously.	4295
(37) (a) "Renewable energy resource" means any of the	4296
following:	4297
(i) Solar photovoltaic or solar thermal energy;	4298
(ii) Wind energy;	4299
(iii) Power produced by a hydroelectric facility;	4300
(iv) Power produced by a small hydroelectric facility,	4301
which is a facility that operates, or is rated to operate, at an	4302
aggregate capacity of less than six megawatts;	4303
(v) Power produced by a run-of-the-river hydroelectric	4304
facility placed in service on or after January 1, 1980, that is	4305
located within this state, relies upon the Ohio river, and	4306
operates, or is rated to operate, at an aggregate capacity of	4307
forty or more megawatts;	4308
(vi) Geothermal energy;	4309

(vii) Fuel derived from solid wastes, as defined in 4310
section 3734.01 of the Revised Code, through fractionation, 4311
biological decomposition, or other process that does not 4312
principally involve combustion; 4313

(viii) Biomass energy; 4314

(ix) Energy produced by cogeneration technology that is 4315
placed into service on or before December 31, 2015, and for 4316
which more than ninety per cent of the total annual energy input 4317
is from combustion of a waste or byproduct gas from an air 4318
contaminant source in this state, which source has been in 4319
operation since on or before January 1, 1985, provided that the 4320
cogeneration technology is a part of a facility located in a 4321
county having a population of more than three hundred sixty-five 4322
thousand but less than three hundred seventy thousand according 4323
to the most recent federal decennial census; 4324

(x) Biologically derived methane gas; 4325

(xi) Heat captured from a generator of electricity, 4326
boiler, or heat exchanger fueled by biologically derived methane 4327
gas; 4328

(xii) Energy derived from nontreated by-products of the 4329
pulping process or wood manufacturing process, including bark, 4330
wood chips, sawdust, and lignin in spent pulping liquors. 4331

"Renewable energy resource" includes, but is not limited 4332
to, any fuel cell used in the generation of electricity, 4333
including, but not limited to, a proton exchange membrane fuel 4334
cell, phosphoric acid fuel cell, molten carbonate fuel cell, or 4335
solid oxide fuel cell; wind turbine located in the state's 4336
territorial waters of Lake Erie; methane gas emitted from an 4337
abandoned coal mine; waste energy recovery system placed into 4338

service or retrofitted on or after the effective date of the 4339
amendment of this section by S.B. 315 of the 129th general 4340
assembly, September 10, 2012, except that a waste energy 4341
recovery system described in division (A) (38) (b) of this section 4342
may be included only if it was placed into service between 4343
January 1, 2002, and December 31, 2004; storage facility that 4344
will promote the better utilization of a renewable energy 4345
resource; or distributed generation system used by a customer to 4346
generate electricity from any such energy. 4347

"Renewable energy resource" does not include a waste 4348
energy recovery system that is, or was, on or after January 1, 4349
2012, included in an energy ~~efficiency-waste reduction~~ program 4350
of an electric distribution utility pursuant to requirements 4351
under section 4928.66 of the Revised Code. 4352

(b) As used in division (A) (37) of this section, 4353
"hydroelectric facility" means a hydroelectric generating 4354
facility that is located at a dam on a river, or on any water 4355
discharged to a river, that is within or bordering this state or 4356
within or bordering an adjoining state and meets all of the 4357
following standards: 4358

(i) The facility provides for river flows that are not 4359
detrimental for fish, wildlife, and water quality, including 4360
seasonal flow fluctuations as defined by the applicable 4361
licensing agency for the facility. 4362

(ii) The facility demonstrates that it complies with the 4363
water quality standards of this state, which compliance may 4364
consist of certification under Section 401 of the "Clean Water 4365
Act of 1977," 91 Stat. 1598, 1599, 33 U.S.C. 1341, and 4366
demonstrates that it has not contributed to a finding by this 4367
state that the river has impaired water quality under Section 4368

303(d) of the "Clean Water Act of 1977," 114 Stat. 870, 33 4369
U.S.C. 1313. 4370

(iii) The facility complies with mandatory prescriptions 4371
regarding fish passage as required by the federal energy 4372
regulatory commission license issued for the project, regarding 4373
fish protection for riverine, anadromous, and catadromous fish. 4374

(iv) The facility complies with the recommendations of the 4375
Ohio environmental protection agency and with the terms of its 4376
federal energy regulatory commission license regarding watershed 4377
protection, mitigation, or enhancement, to the extent of each 4378
agency's respective jurisdiction over the facility. 4379

(v) The facility complies with provisions of the 4380
"Endangered Species Act of 1973," 87 Stat. 884, 16 U.S.C. 1531 4381
to 1544, as amended. 4382

(vi) The facility does not harm cultural resources of the 4383
area. This can be shown through compliance with the terms of its 4384
federal energy regulatory commission license or, if the facility 4385
is not regulated by that commission, through development of a 4386
plan approved by the Ohio historic preservation office, to the 4387
extent it has jurisdiction over the facility. 4388

(vii) The facility complies with the terms of its federal 4389
energy regulatory commission license or exemption that are 4390
related to recreational access, accommodation, and facilities 4391
or, if the facility is not regulated by that commission, the 4392
facility complies with similar requirements as are recommended 4393
by resource agencies, to the extent they have jurisdiction over 4394
the facility; and the facility provides access to water to the 4395
public without fee or charge. 4396

(viii) The facility is not recommended for removal by any 4397

federal agency or agency of any state, to the extent the 4398
particular agency has jurisdiction over the facility. 4399

(c) The standards in divisions (A) (37) (b) (i) to (viii) of 4400
this section do not apply to a small hydroelectric facility 4401
under division (A) (37) (a) (iv) of this section. 4402

(38) "Waste energy recovery system" means either of the 4403
following: 4404

(a) A facility that generates electricity through the 4405
conversion of energy from either of the following: 4406

(i) Exhaust heat from engines or manufacturing, 4407
industrial, commercial, or institutional sites, except for 4408
exhaust heat from a facility whose primary purpose is the 4409
generation of electricity; 4410

(ii) Reduction of pressure in gas pipelines before gas is 4411
distributed through the pipeline, provided that the conversion 4412
of energy to electricity is achieved without using additional 4413
fossil fuels. 4414

(b) A facility at a state institution of higher education 4415
as defined in section 3345.011 of the Revised Code that recovers 4416
waste heat from electricity-producing engines or combustion 4417
turbines and that simultaneously uses the recovered heat to 4418
produce steam, provided that the facility was placed into 4419
service between January 1, 2002, and December 31, 2004. 4420

(39) "Smart grid" means capital improvements to an 4421
electric distribution utility's distribution infrastructure that 4422
improve reliability, efficiency, resiliency, or reduce energy 4423
demand or use, including, but not limited to, advanced metering 4424
and automation of system functions. 4425

(40) "Combined heat and power system" means the 4426
coproduction of electricity and useful thermal energy from the 4427
same fuel source designed to achieve thermal-efficiency levels 4428
of at least sixty per cent, with at least twenty per cent of the 4429
system's total useful energy in the form of thermal energy. 4430

(41) "Legacy generation resource" means all generating 4431
facilities owned directly or indirectly by a corporation that 4432
was formed prior to 1960 by investor-owned utilities for the 4433
original purpose of providing power to the federal government 4434
for use in the nation's defense or in furtherance of national 4435
interests, including the Ohio valley electric corporation. 4436

(42) "Prudently incurred costs related to a legacy 4437
generation resource" means costs, including deferred costs, 4438
allocated pursuant to a power agreement approved by the federal 4439
energy regulatory commission that relates to a legacy generation 4440
resource, less any revenues realized from offering the 4441
contractual commitment for the power agreement into the 4442
wholesale markets, provided that where the net revenues exceed 4443
net costs, those excess revenues shall be credited to customers. 4444
Such costs shall exclude any return on investment in common 4445
equity and, in the event of a premature retirement of a legacy 4446
generation resource, shall exclude any recovery of remaining 4447
debt. Such costs shall include any incremental costs resulting 4448
from the bankruptcy of a current or former sponsor under such 4449
power agreement or co-owner of the legacy generation resource if 4450
not otherwise recovered through a utility rate cost recovery 4451
mechanism. 4452

(B) For the purposes of this chapter, a retail electric 4453
service component shall be deemed a competitive retail electric 4454
service if the service component is competitive pursuant to a 4455

declaration by a provision of the Revised Code or pursuant to an 4456
order of the public utilities commission authorized under 4457
division (A) of section 4928.04 of the Revised Code. Otherwise, 4458
the service component shall be deemed a noncompetitive retail 4459
electric service. 4460

Sec. 4928.02. It is the policy of this state to do the 4461
following throughout this state: 4462

(A) Ensure the availability to consumers of adequate, 4463
reliable, safe, efficient, nondiscriminatory, and reasonably 4464
priced retail electric service; 4465

(B) Ensure the availability of unbundled and comparable 4466
retail electric service that provides consumers with the 4467
supplier, price, terms, conditions, and quality options they 4468
elect to meet their respective needs; 4469

(C) Ensure diversity of electricity supplies and 4470
suppliers, by giving consumers effective choices over the 4471
selection of those supplies and suppliers and by encouraging the 4472
development of distributed and small generation facilities; 4473

(D) Encourage innovation and market access for cost- 4474
effective supply- and demand-side retail electric service 4475
including, but not limited to, demand-side management, time- 4476
differentiated pricing, waste energy recovery systems, smart 4477
grid programs, and implementation of advanced metering 4478
infrastructure; 4479

(E) Encourage cost-effective and efficient access to 4480
information regarding the operation of the transmission and 4481
distribution systems of electric utilities in order to promote 4482
both effective customer choice of retail electric service and 4483
the development of performance standards and targets for service 4484

quality for all consumers, including annual achievement reports	4485
written in plain language;	4486
(F) Ensure that an electric utility's transmission and	4487
distribution systems are available to a customer-generator or	4488
owner of distributed generation, so that the customer-generator	4489
or owner can market and deliver the electricity it produces;	4490
(G) Recognize the continuing emergence of competitive	4491
electricity markets through the development and implementation	4492
of flexible regulatory treatment;	4493
(H) Ensure effective competition in the provision of	4494
retail electric service by avoiding anticompetitive subsidies	4495
flowing from a noncompetitive retail electric service to a	4496
competitive retail electric service or to a product or service	4497
other than retail electric service, and vice versa, including by	4498
prohibiting the recovery of any generation-related costs through	4499
distribution or transmission rates;	4500
(I) Ensure retail electric service consumers protection	4501
against unreasonable sales practices, market deficiencies, and	4502
market power;	4503
(J) Provide coherent, transparent means of giving	4504
appropriate incentives to technologies that can adapt	4505
successfully to potential environmental mandates;	4506
(K) Encourage implementation of distributed generation	4507
across customer classes through regular review and updating of	4508
administrative rules governing critical issues such as, but not	4509
limited to, interconnection standards, standby charges, and net	4510
metering;	4511
(L) Protect at-risk populations, including, but not	4512
limited to, when considering the implementation of any new	4513

advanced energy or renewable energy resource; 4514

(M) Encourage the education of small business owners in 4515
this state regarding the use of, and encourage the use of, 4516
energy ~~efficiency-waste reduction~~ programs and alternative 4517
energy resources in their businesses; 4518

(N) Facilitate the state's effectiveness in the global 4519
economy. 4520

(O) Encourage cost-effective, timely, and efficient access 4521
to and sharing of customer usage data with customers and 4522
competitive suppliers to promote customer choice and grid 4523
modernization. 4524

(P) Ensure that a customer's data is provided in a 4525
standard format and provided to third parties in as close to 4526
real time as is economically justifiable in order to spur 4527
economic investment and improve the energy options of individual 4528
customers. 4529

In carrying out this policy, the commission shall consider 4530
rules as they apply to the costs of electric distribution 4531
infrastructure, including, but not limited to, line extensions, 4532
for the purpose of development in this state. 4533

Sec. 4928.021. In order to protect the health and welfare 4534
of the state's citizens who rely on the continuous availability 4535
of affordable electricity for their homes, businesses, schools, 4536
and public places, and because it is in the public interest to 4537
transform the state's energy sector and to create a modern 4538
energy system that is more resilient and reliable, it is the 4539
policy of this state to do the following to achieve a statewide 4540
energy transformation within ten years of the effective date of 4541
this section: 4542

- (A) Reduce the threat of climate change by becoming a zero-carbon state not later than 2050; 4543
4544
- (B) Promote distributed energy resources, which are critical to modernizing the state's electric utilities; 4545
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- (C) Protect the state's critical facilities and ensure that the electric grid serving the state is reliable, resilient, and secure; 4547
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- (D) Ensure the development of grid modernization plans to protect these facilities and the electric grid against cyber or physical attacks, severe weather, and other unforeseen or catastrophic events; 4550
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- (E) Promote, and remove barriers to, customer engagement in energy options that are consistent with the competitive energy environment; 4554
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- (F) Alleviate the economic burden on the state's most vulnerable citizens through least-cost technologies and customer choice in energy options; 4557
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4559
- (G) Incorporate least-cost cost solutions to make energy more affordable for all consumers through a fair process that requires verification and accountability of costs so that rates are fair, just, equitable, and reasonable; 4560
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- (H) Consider methods through which customers may manage energy bills to reduce costs, reduce environmental impacts on communities, and provide opportunities for economic development through the creation of localized jobs; 4564
4565
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4567
- (I) Enable businesses in the state to thrive and be more competitive in world markets; 4568
4569
- (J) Provide energy services equitably to all customers; 4570

(K) Ensure that public utilities are accountable to the public they serve and that their activities, including the establishment and implementation of rates and services, are transparent and accessible to the public. 4571
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Sec. 4928.113. In addition to the rules adopted under section 4928.11 and division (A) of section 4928.06 of the Revised Code, the public utilities commission shall have the authority to adopt rules regarding the interconnection of distributed generation facilities of all system types and fuel sources to the distribution system of each electric distribution utility through an open and transparent public process in order to carry out the following purposes: 4575
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(A) Ensure that the standards and processes associated with interconnection are transparent to applicants so that the costs and risks of interconnection are understood prior to the filing of an application; 4583
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(B) Ensure that compliance with the interconnection requirements are timely and not unduly burdensome or expensive for any applicant; 4587
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(C) Establish uniform, nondiscriminatory, technology-neutral procedures for interconnecting distributed generation facilities to distribution facilities in a manner that protects the public, ensures worker safety, and protects system reliability; 4590
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(D) Apply rules to all areas of the utility's service territory where an applicant seeks to physically connect distributed generation, and operate it parallel, to the utility's distribution system; 4595
4596
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(E) Ensure that reasonable national standards of 4599

interconnection are applied to protect the grid and that 4600
corrective measures proposed are timely and proportional; 4601

(F) Provide several differentiated review options for an 4602
applicant's request for interconnection with the utility in 4603
order to ensure timely consideration of applications based on 4604
project size and the character of the distributed generation 4605
facility. 4606

Sec. 4928.115. An applicant that applies for 4607
interconnection shall comply with the safety and performance 4608
standards established by all of the following that are in effect 4609
at the time of the application: 4610

(A) The institute of electrical and electronics engineers 4611
(IEEE); 4612

(B) The underwriters laboratory (UL); 4613

(C) The national electrical code (NEC); 4614

(D) Relevant American national standards institute (ANSI) 4615
standards. 4616

Sec. 4928.117. The public utilities commission shall 4617
establish a schedule to implement interconnection standards to 4618
be effective not later than one year after the effective date of 4619
..B.. ... of the 134th general assembly. The standards shall 4620
provide for the filing by an electric distribution utility and 4621
ruling by the commission on utility interconnection tariffs. 4622

Sec. 4928.119. An electric distribution utility shall do 4623
all of the following with regard to interconnection and 4624
distributed generation: 4625

(A) Review its distribution system on a regular basis in 4626
order to identify system upgrades that may be necessary to allow 4627

for increased penetrations of distributed generation and storage 4628
necessary to maximize the benefit of cost-effective resources; 4629

(B) Establish technical specifications and parameters for 4630
interconnecting facilities to the electric system that ensures 4631
the safe, secure, and economical operation of the grid; 4632

(C) Purchase energy from distributed generation sources at 4633
a tariff approved by the public utilities commission. 4634

Sec. 4928.142. (A) For the purpose of complying with 4635
section 4928.141 of the Revised Code and subject to division (D) 4636
of this section and, as applicable, subject to the rate plan 4637
requirement of division (A) of section 4928.141 of the Revised 4638
Code, an electric distribution utility may establish a standard 4639
service offer price for retail electric generation service that 4640
is delivered to the utility under a market-rate offer. 4641

(1) The market-rate offer shall be determined through a 4642
competitive bidding process that provides for all of the 4643
following: 4644

(a) Open, fair, and transparent competitive solicitation; 4645

(b) Clear product definition; 4646

(c) Standardized bid evaluation criteria; 4647

(d) Oversight by an independent third party that shall 4648
design the solicitation, administer the bidding, and ensure that 4649
the criteria specified in ~~division~~ divisions (A) (1) (a) to (c) of 4650
this section are met; 4651

(e) Evaluation of the submitted bids prior to the 4652
selection of the least-cost bid winner or winners. 4653

No generation supplier shall be prohibited from 4654

participating in the bidding process. 4655

(2) The public utilities commission shall modify rules, or 4656
adopt new rules as necessary, concerning the conduct of the 4657
competitive bidding process and the qualifications of bidders, 4658
which rules shall foster supplier participation in the bidding 4659
process and shall be consistent with the requirements of 4660
division (A) (1) of this section. 4661

(B) Prior to initiating a competitive bidding process for 4662
a market-rate offer under division (A) of this section, the 4663
electric distribution utility shall file an application with the 4664
commission. An electric distribution utility may file its 4665
application with the commission prior to the effective date of 4666
the commission rules required under division (A) (2) of this 4667
section, and, as the commission determines necessary, the 4668
utility shall immediately conform its filing to the rules upon 4669
their taking effect. 4670

An application under this division shall detail the 4671
electric distribution utility's proposed compliance with the 4672
requirements of division (A) (1) of this section and with 4673
commission rules under division (A) (2) of this section and 4674
demonstrate that all of the following requirements are met: 4675

(1) The electric distribution utility or its transmission 4676
service affiliate belongs to at least one regional transmission 4677
organization that has been approved by the federal energy 4678
regulatory commission; or there otherwise is comparable and 4679
nondiscriminatory access to the electric transmission grid. 4680

(2) Any such regional transmission organization has a 4681
market-monitor function and the ability to take actions to 4682
identify and mitigate market power or the electric distribution 4683

utility's market conduct; or a similar market monitoring 4684
function exists with commensurate ability to identify and 4685
monitor market conditions and mitigate conduct associated with 4686
the exercise of market power. 4687

(3) A published source of information is available 4688
publicly or through subscription that identifies pricing 4689
information for traded electricity on- and off-peak energy 4690
products that are contracts for delivery beginning at least two 4691
years from the date of the publication and is updated on a 4692
regular basis. 4693

The commission shall initiate a proceeding and, within 4694
ninety days after the application's filing date, shall determine 4695
by order whether the electric distribution utility and its 4696
market-rate offer meet all of the foregoing requirements. If the 4697
finding is positive, the electric distribution utility may 4698
initiate its competitive bidding process. If the finding is 4699
negative as to one or more requirements, the commission in the 4700
order shall direct the electric distribution utility regarding 4701
how any deficiency may be remedied in a timely manner to the 4702
commission's satisfaction; otherwise, the electric distribution 4703
utility shall withdraw the application. However, if such remedy 4704
is made and the subsequent finding is positive and also if the 4705
electric distribution utility made a simultaneous filing under 4706
this section and section 4928.143 of the Revised Code, the 4707
utility shall not initiate its competitive bid until at least 4708
one hundred fifty days after the filing date of those 4709
applications. 4710

(C) Upon the completion of the competitive bidding process 4711
authorized by divisions (A) and (B) of this section, including 4712
for the purpose of division (D) of this section, the commission 4713

shall select the least-cost bid winner or winners of that 4714
process, and such selected bid or bids, as prescribed as retail 4715
rates by the commission, shall be the electric distribution 4716
utility's standard service offer unless the commission, by order 4717
issued before the third calendar day following the conclusion of 4718
the competitive bidding process for the market rate offer, 4719
determines that one or more of the following criteria were not 4720
met: 4721

(1) Each portion of the bidding process was 4722
oversubscribed, such that the amount of supply bid upon was 4723
greater than the amount of the load bid out. 4724

(2) There were four or more bidders. 4725

(3) At least twenty-five per cent of the load is bid upon 4726
by one or more persons other than the electric distribution 4727
utility. 4728

All costs incurred by the electric distribution utility as 4729
a result of or related to the competitive bidding process or to 4730
procuring generation service to provide the standard service 4731
offer, including the costs of energy and capacity and the costs 4732
of all other products and services procured as a result of the 4733
competitive bidding process, shall be timely recovered through 4734
the standard service offer price, and, for that purpose, the 4735
commission shall approve a reconciliation mechanism, other 4736
recovery mechanism, or a combination of such mechanisms for the 4737
utility. 4738

(D) The first application filed under this section by an 4739
electric distribution utility that, as of July 31, 2008, 4740
directly owns, in whole or in part, operating electric 4741
generating facilities that had been used and useful in this 4742

state shall require that a portion of that utility's standard 4743
service offer load for the first five years of the market rate 4744
offer be competitively bid under division (A) of this section as 4745
follows: ten per cent of the load in year one, not more than 4746
twenty per cent in year two, thirty per cent in year three, 4747
forty per cent in year four, and fifty per cent in year five. 4748
Consistent with those percentages, the commission shall 4749
determine the actual percentages for each year of years one 4750
through five. The standard service offer price for retail 4751
electric generation service under this first application shall 4752
be a proportionate blend of the bid price and the generation 4753
service price for the remaining standard service offer load, 4754
which latter price shall be equal to the electric distribution 4755
utility's most recent standard service offer price, adjusted 4756
upward or downward as the commission determines reasonable, 4757
relative to the jurisdictional portion of any known and 4758
measurable changes from the level of any one or more of the 4759
following costs as reflected in that most recent standard 4760
service offer price: 4761

(1) The electric distribution utility's prudently incurred 4762
cost of fuel used to produce electricity; 4763

(2) Its prudently incurred purchased power costs; 4764

(3) Its prudently incurred costs of satisfying the supply 4765
and demand portfolio requirements of this state, including, but 4766
not limited to, renewable energy resource and energy ~~efficiency~~ 4767
waste reduction requirements; 4768

(4) Its costs prudently incurred to comply with 4769
environmental laws and regulations, with consideration of the 4770
derating of any facility associated with those costs. 4771

In making any adjustment to the most recent standard 4772
service offer price on the basis of costs described in division 4773
(D) of this section, the commission shall include the benefits 4774
that may become available to the electric distribution utility 4775
as a result of or in connection with the costs included in the 4776
adjustment, including, but not limited to, the utility's receipt 4777
of emissions credits or its receipt of tax benefits or of other 4778
benefits, and, accordingly, the commission may impose such 4779
conditions on the adjustment to ensure that any such benefits 4780
are properly aligned with the associated cost responsibility. 4781
The commission shall also determine how such adjustments will 4782
affect the electric distribution utility's return on common 4783
equity that may be achieved by those adjustments. The commission 4784
shall not apply its consideration of the return on common equity 4785
to reduce any adjustments authorized under this division unless 4786
the adjustments will cause the electric distribution utility to 4787
earn a return on common equity that is significantly in excess 4788
of the return on common equity that is earned by publicly traded 4789
companies, including utilities, that face comparable business 4790
and financial risk, with such adjustments for capital structure 4791
as may be appropriate. The burden of proof for demonstrating 4792
that significantly excessive earnings will not occur shall be on 4793
the electric distribution utility. 4794

Additionally, the commission may adjust the electric 4795
distribution utility's most recent standard service offer price 4796
by such just and reasonable amount that the commission 4797
determines necessary to address any emergency that threatens the 4798
utility's financial integrity or to ensure that the resulting 4799
revenue available to the utility for providing the standard 4800
service offer is not so inadequate as to result, directly or 4801
indirectly, in a taking of property without compensation 4802

pursuant to Section 19 of Article I, Ohio Constitution. The 4803
electric distribution utility has the burden of demonstrating 4804
that any adjustment to its most recent standard service offer 4805
price is proper in accordance with this division. 4806

(E) Beginning in the second year of a blended price under 4807
division (D) of this section and notwithstanding any other 4808
requirement of this section, the commission may alter 4809
prospectively the proportions specified in that division to 4810
mitigate any effect of an abrupt or significant change in the 4811
electric distribution utility's standard service offer price 4812
that would otherwise result in general or with respect to any 4813
rate group or rate schedule but for such alteration. Any such 4814
alteration shall be made not more often than annually, and the 4815
commission shall not, by altering those proportions and in any 4816
event, including because of the length of time, as authorized 4817
under division (C) of this section, taken to approve the market 4818
rate offer, cause the duration of the blending period to exceed 4819
ten years as counted from the effective date of the approved 4820
market rate offer. Additionally, any such alteration shall be 4821
limited to an alteration affecting the prospective proportions 4822
used during the blending period and shall not affect any 4823
blending proportion previously approved and applied by the 4824
commission under this division. 4825

(F) An electric distribution utility that has received 4826
commission approval of its first application under division (C) 4827
of this section shall not, nor ever shall be authorized or 4828
required by the commission to, file an application under section 4829
4928.143 of the Revised Code. 4830

Sec. 4928.143. (A) For the purpose of complying with 4831
section 4928.141 of the Revised Code, an electric distribution 4832

utility may file an application for public utilities commission 4833
approval of an electric security plan as prescribed under 4834
division (B) of this section. The utility may file that 4835
application prior to the effective date of any rules the 4836
commission may adopt for the purpose of this section, and, as 4837
the commission determines necessary, the utility immediately 4838
shall conform its filing to those rules upon their taking 4839
effect. 4840

(B) Notwithstanding any other provision of Title XLIX of 4841
the Revised Code to the contrary except division (D) of this 4842
section, divisions (I), (J), and (K) of section 4928.20, 4843
division (E) of section 4928.64, and section 4928.69 of the 4844
Revised Code: 4845

(1) An electric security plan shall include provisions 4846
relating to the supply and pricing of electric generation 4847
service. In addition, if the proposed electric security plan has 4848
a term longer than three years, it may include provisions in the 4849
plan to permit the commission to test the plan pursuant to 4850
division (E) of this section and any transitional conditions 4851
that should be adopted by the commission if the commission 4852
terminates the plan as authorized under that division. 4853

(2) The plan may provide for or include, without 4854
limitation, any of the following: 4855

(a) ~~Automatic recovery~~ Recovery of any of the following 4856
costs of the electric distribution utility, provided the cost is 4857
found to be prudently incurred after a hearing by the public 4858
utilities commission: the cost of fuel used to generate the 4859
electricity supplied under the offer; the cost of purchased 4860
power supplied under the offer, including the cost of energy and 4861
capacity, and including purchased power acquired from an 4862

affiliate; the cost of emission allowances; and the cost of 4863
federally mandated carbon or energy taxes; 4864

(b) A reasonable allowance for construction work in 4865
progress for any of the electric distribution utility's cost of 4866
constructing an electric generating facility or for an 4867
environmental expenditure for any electric generating facility 4868
of the electric distribution utility, provided the cost is 4869
incurred or the expenditure occurs on or after January 1, 2009. 4870
Any such allowance shall be subject to the construction work in 4871
progress allowance limitations of division (A) of section 4872
4909.15 of the Revised Code, ~~except that the commission may~~ 4873
~~authorize such an allowance upon the incurrence of the cost or~~ 4874
~~occurrence of the expenditure.~~ No such allowance for generating 4875
facility construction shall be authorized, however, unless the 4876
commission first determines in the proceeding that there is need 4877
for the facility based on resource planning projections 4878
submitted by the electric distribution utility. Further, no such 4879
allowance shall be authorized unless the facility's construction 4880
was sourced through a competitive bid process, regarding which 4881
process the commission may adopt rules. ~~An allowance approved~~ 4882
~~under division (B) (2) (b) of this section shall be established as~~ 4883
~~a nonbypassable surcharge for the life of the facility.~~ 4884

(c) The establishment of a ~~nonbypassable~~ surcharge for the 4885
life of an electric generating facility that is owned or 4886
operated by the electric distribution utility, was sourced 4887
through a competitive bid process subject to any such rules as 4888
the commission adopts under division (B) (2) (b) of this section, 4889
and is newly used and useful on or after January 1, 2009, which 4890
surcharge shall cover all costs of the utility specified in the 4891
application, excluding costs recovered through a surcharge under 4892
division (B) (2) (b) of this section. However, no surcharge shall 4893

be authorized unless the commission first determines in the 4894
proceeding that there is need for the facility based on resource 4895
planning projections submitted by the electric distribution 4896
utility. Additionally, if a surcharge is authorized for a 4897
facility pursuant to plan approval under division (C) of this 4898
section and as a condition of the continuation of the surcharge, 4899
the electric distribution utility shall dedicate to Ohio 4900
consumers the capacity and energy and the rate associated with 4901
the cost of that facility. Before the commission authorizes any 4902
surcharge pursuant to this division, it may consider, as 4903
applicable, the effects of any decommissioning, deratings, and 4904
retirements. 4905

(d) Terms, conditions, or charges relating to ~~limitations~~ 4906
~~on~~ customer shopping for retail electric generation service, 4907
bypassability, standby, back-up, or supplemental power service, 4908
default service, carrying costs, amortization periods, and 4909
accounting or deferrals, including future recovery of such 4910
deferrals, as would have the effect of stabilizing or providing 4911
certainty regarding retail electric service; 4912

(e) ~~Automatic increases~~ Increases or decreases in any 4913
component of the standard service offer price that will be 4914
subject to prior commission approval in a separate proceeding; 4915

(f) Consistent with sections 4928.23 to 4928.2318 of the 4916
Revised Code, both of the following: 4917

(i) Provisions for the electric distribution utility to 4918
securitize any phase-in, inclusive of carrying charges, of the 4919
utility's standard service offer price, which phase-in is 4920
authorized in accordance with section 4928.144 of the Revised 4921
Code; 4922

(ii) Provisions for the recovery of the utility's cost of securitization.	4923 4924
(g) Provisions relating to transmission, ancillary, congestion, or any related service required for the standard service offer, including provisions for the recovery of any cost of such service that the electric distribution utility incurs on or after that date pursuant to the standard service offer;	4925 4926 4927 4928 4929
(h) Provisions regarding the utility's distribution service, including, without limitation and notwithstanding any provision of Title XLIX of the Revised Code to the contrary, provisions regarding single issue ratemaking , a revenue decoupling mechanism or any other incentive ratemaking, and provisions regarding distribution infrastructure and modernization incentives for the electric distribution utility. The latter may include a long-term energy delivery infrastructure modernization plan for that utility or any plan providing for the utility's recovery of costs, including lost revenue, shared savings, and avoided costs, and a just and reasonable rate of return on such infrastructure modernization. As part of its determination as to whether to allow in an electric distribution utility's electric security plan inclusion of any provision described in division (B) (2) (h) of this section, the commission shall examine the reliability of the electric distribution utility's distribution system and ensure that customers' and the electric distribution utility's expectations are aligned and that the electric distribution utility is placing sufficient emphasis on and dedicating sufficient resources to the reliability of its distribution system.	4930 4931 4932 4933 4934 4935 4936 4937 4938 4939 4940 4941 4942 4943 4944 4945 4946 4947 4948 4949 4950 4951
<u>With regard to a decoupling mechanism, the mechanism shall</u>	4952

be based on the base rates currently in effect and shall include 4953
the following elements: 4954

(i) A symmetrical design so that any underrecoveries of 4955
revenue requirements are recovered from customers and any 4956
overrecoveries of revenue requirements are credited to 4957
customers; 4958

(ii) A customer charge that is sufficient to recover the 4959
utility's cost of metering and billing only. All other costs 4960
shall be recovered in a volumetric rate; however, the utility 4961
may impose a small, reasonable demand charge on self-generation 4962
if the utility is offering a reasonable bidirectional time- 4963
varying rate or other rate design that captures costs and 4964
contributions to the utility system. 4965

(iii) A revenue per customer mechanism, which may be 4966
combined with other revenue adjustments; 4967

(iv) A proposed cap on surcharges and refunds and a 4968
symmetrical method for addressing the imposition of the cap; 4969

(v) Other elements as necessary. 4970

(i) Provisions under which the electric distribution 4971
utility may implement economic development, job retention, and 4972
energy ~~efficiency-waste reduction~~ programs, which provisions may 4973
allocate program costs across all classes of customers of the 4974
utility and those of electric distribution utilities in the same 4975
holding company system. 4976

~~(C) (1)~~-(C) The burden of proof in the proceeding shall be 4977
on the electric distribution utility. The commission shall issue 4978
an order under this division for an initial application under 4979
this section not later than one hundred fifty days after the 4980
application's filing date and, for any subsequent application by 4981

the utility under this section, not later than two hundred 4982
seventy-five days after the application's filing date. Subject 4983
to division (D) of this section, the commission by order shall 4984
approve or modify and approve an application filed under 4985
division (A) of this section if it finds that the electric 4986
security plan so approved, ~~including its pricing and all other~~ 4987
~~terms and conditions, including any deferrals and any future~~ 4988
~~recovery of deferrals, is more favorable in the aggregate as~~ 4989
~~compared to the expected results~~ provides a lower rate than the 4990
market rate that would otherwise apply under section 4928.142 of 4991
the Revised Code. Additionally, if the commission so approves an 4992
application that contains a surcharge under division (B) (2) (b) 4993
or (c) of this section, the commission shall ensure that the 4994
benefits derived for any purpose for which the surcharge is 4995
established are reserved and made available to those that bear 4996
the surcharge. Otherwise, the commission by order shall 4997
disapprove the application. 4998

~~(2) (a) If the commission modifies and approves an~~ 4999
~~application under division (C) (1) of this section, the electric~~ 5000
~~distribution utility may withdraw the application, thereby~~ 5001
~~terminating it, and may file a new standard service offer under~~ 5002
~~this section or a standard service offer under section 4928.142~~ 5003
~~of the Revised Code.~~ 5004

~~(b) If the utility terminates an application pursuant to~~ 5005
~~division (C) (2) (a) of this section or if the commission~~ 5006
~~disapproves an application under division (C) (1) of this~~ 5007
~~section, the commission shall issue such order as is necessary~~ 5008
~~to continue the provisions, terms, and conditions of the~~ 5009
~~utility's most recent standard service offer, along with any~~ 5010
~~expected increases or decreases in fuel costs from those~~ 5011
~~contained in that offer, until a subsequent offer is authorized~~ 5012

~~pursuant to this section or section 4928.142 of the Revised Code, respectively.~~ 5013
5014

(D) Regarding the rate plan requirement of division (A) of 5015
section 4928.141 of the Revised Code, if an electric 5016
distribution utility that has a rate plan that extends beyond 5017
December 31, 2008, files an application under this section for 5018
the purpose of its compliance with division (A) of section 5019
4928.141 of the Revised Code, that rate plan and its terms and 5020
conditions are hereby incorporated into its proposed electric 5021
security plan and shall continue in effect until the date 5022
scheduled under the rate plan for its expiration, and that 5023
portion of the electric security plan shall not be subject to 5024
commission approval or disapproval under division (C) of this 5025
section, and the earnings test provided for in division (F) of 5026
this section shall not apply until after the expiration of the 5027
rate plan. However, that utility may include in its electric 5028
security plan under this section, and the commission may 5029
approve, modify and approve, or disapprove subject to division 5030
(C) of this section, provisions for the incremental recovery or 5031
the deferral of any costs that are not being recovered under the 5032
rate plan and that the utility incurs during that continuation 5033
period to comply with section 4928.141, division (B) of section 5034
4928.64, or division (A) of section 4928.66 of the Revised Code. 5035

(E) If an electric security plan approved under division 5036
(C) of this section, except one withdrawn by the utility as 5037
authorized under that division, has a term, exclusive of phase- 5038
ins or deferrals, that exceeds three years from the effective 5039
date of the plan, the commission shall test the plan in the 5040
fourth year, and if applicable, every fourth year thereafter, to 5041
determine whether the plan, including its then-existing pricing 5042
and all other terms and conditions, including any deferrals and 5043

any future recovery of deferrals, continues to ~~be more favorable~~ 5044
~~in the aggregate and during the remaining term of the plan as~~ 5045
~~compared to the expected results provide a lower rate than the~~ 5046
market rate that would otherwise apply under section 4928.142 of 5047
the Revised Code. ~~The commission shall also determine the~~ 5048
~~prospective effect of the electric security plan to determine if~~ 5049
~~that effect is substantially likely to provide the electric~~ 5050
~~distribution utility with a return on common equity that is~~ 5051
~~significantly in excess of the return on common equity that is~~ 5052
~~likely to be earned by publicly traded companies, including~~ 5053
~~utilities, that face comparable business and financial risk,~~ 5054
~~with such adjustments for capital structure as may be~~ 5055
~~appropriate. The burden of proof for demonstrating that~~ 5056
~~significantly excessive earnings will not occur shall be on the~~ 5057
~~electric distribution utility. If the test results are in the~~ 5058
~~negative or the commission finds that continuation of the~~ 5059
~~electric security plan will result in a return on equity that is~~ 5060
~~significantly in excess of the return on common equity that is~~ 5061
~~likely to be earned by publicly traded companies, including~~ 5062
~~utilities, that will face comparable business and financial~~ 5063
~~risk, with such adjustments for capital structure as may be~~ 5064
~~appropriate, during the balance of the plan, the commission may~~ 5065
~~terminate the electric security plan, but not until it shall~~ 5066
~~have provided interested parties with notice and an opportunity~~ 5067
~~to be heard. The commission may impose such conditions on the~~ 5068
~~plan's termination as it considers reasonable and necessary to~~ 5069
~~accommodate the transition from an approved plan to the more~~ 5070
~~advantageous alternative. In the event of an electric security~~ 5071
~~plan's termination pursuant to this division, the commission~~ 5072
~~shall permit the continued deferral and phase in of any amounts~~ 5073
~~that occurred prior to that termination and the recovery of~~ 5074
~~those amounts as contemplated under that electric security plan.~~ 5075

(F) With regard to the provisions that are included in an electric security plan under this section, the commission shall consider, following the end of each annual period of the plan, if ~~any such adjustments resulted in excessive earnings as measured by whether the earned return on common equity of the electric distribution utility is significantly in excess of the return on common equity that was earned during the same period by publicly traded companies, including utilities, that face comparable business and financial risk, with such adjustments for capital structure as may be appropriate. Consideration also shall be given to the capital requirements of future committed investments in this state. The burden of proof for demonstrating that significantly excessive earnings did not occur shall be on the electric distribution utility. If the commission finds that such adjustments, in the aggregate, did result in significantly excessive earnings, it shall require the electric distribution utility to return to consumers the amount of the excess by prospective adjustments; provided that, upon making such prospective adjustments, the electric distribution utility shall have the right to terminate the plan and immediately file an application pursuant to section 4928.142 of the Revised Code. Upon termination of a plan under this division, rates shall be set on the same basis as specified in division (C) (2) (b) of this section, and the commission shall permit the continued deferral and phase-in of any amounts that occurred prior to that termination and the recovery of those amounts as contemplated under that electric security plan. In making its determination of significantly excessive earnings under this division, the commission shall not consider, directly or indirectly, the revenue, expenses, or earnings of any affiliate or parent company~~ the electric security plan provides a lower rate than the market rate that would otherwise apply under section 4928.142 of

the Revised Code. 5108

Sec. 4928.45. Each electric distribution utility and 5109
competitive retail electric service provider in this state shall 5110
develop and implement a carbon reduction plan to meet the 5111
following requirements: 5112

(A) Not later than January 1, 2030, a fifty per cent 5113
reduction of the retail electric service provider's greenhouse 5114
gas emissions from 2005 levels. 5115

(B) Not later than January 1, 2050, one hundred per cent 5116
carbon-free electricity. 5117

Sec. 4928.451. (A) The public utilities commission shall 5118
hold a hearing every two years to review each electric 5119
distribution utility's and competitive retail electric service 5120
provider's current carbon reduction plan and require 5121
modifications as necessary to meet the requirements described 5122
under section 4928.45 of the Revised Code. 5123

(B) The hearing shall be held in accordance with Chapter 5124
4903. of the Revised Code. 5125

(C) The commission shall issue an order with findings of 5126
fact and conclusions of law for each hearing on a carbon 5127
reduction plan implemented pursuant to section 4928.45 of the 5128
Revised Code. 5129

(D) The commission shall make specific findings from the 5130
provider's grid modernization plan submitted pursuant to 5131
sections 4928.835 to 4928.8340 of the Revised Code. 5132

(E) The commission may impose financial and other 5133
penalties, including revocation of operating licenses or 5134
certificates, for failure to achieve carbon reduction plan 5135

goals. 5136

Sec. 4928.452. (A) Any electric cooperative or municipal electric utility may file a carbon reduction plan with the public utilities commission. The plan shall be deemed approved if both of the following apply: 5137
5138
5139
5140

(1) The Ohio environmental protection agency, in cooperation with the commission, publicly verifies that the plan demonstrates, not later than 2030, at least a fifty per cent reduction in the cooperative's or utility's greenhouse gas emissions caused by its electricity generation and sales in this state from 2005 levels; 5141
5142
5143
5144
5145
5146

(2) It has been approved by the cooperative's or utility's governing body. 5147
5148

(B) Submission of a carbon reduction plan by an electric cooperative or municipal electric utility shall not be construed as altering the electric cooperative's or municipal electric utility's regulatory status with respect to the public utilities commission. 5149
5150
5151
5152
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Sec. 4928.453. (A) Not later than six months after the effective date of this section, the public utilities commission shall adopt rules to implement sections 4928.45 to 4928.453 of the Revised Code. 5154
5155
5156
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(B) Prior to adopting the rules, the commission shall seek comments from stakeholders and the public. 5158
5159

(C) The rules shall include all of the following: 5160

(1) Filing requirements for each retail electric service provider's carbon reduction plan; 5161
5162

(2) The requirements for each carbon reduction plan, 5163

<u>including all of the following:</u>	5164
<u>(a) Plans that demonstrate how the retail electric service provider will achieve the requirements described in section 4928.45 of the Revised Code, with proof of verification by the Ohio environmental protection agency;</u>	5165 5166 5167 5168
<u>(b) Plans to capture all cost-effective energy waste reduction potential, as determined by an independent, third-party potential study conducted in accordance with best practices;</u>	5169 5170 5171 5172
<u>(c) Plans to maximize cost-effective adoption of beneficial electrification technologies and resources, including replacement of direct fossil combustion for thermal energy generation with heat pumps, electric cooking, and other technologies, especially where indoor air quality for low- and moderate-income households can be improved;</u>	5173 5174 5175 5176 5177 5178
<u>(d) Identification of all opportunities to eliminate energy waste that are less costly than the generation, transmission, and distribution of an equal level of electricity;</u>	5179 5180 5181
<u>(e) Financial or demonstrable and quantifiable in-kind support for the development of at least twenty gigawatts of in-state solar and wind resources by 2030 to create clean energy jobs statewide, with priority for local workforce hiring;</u>	5182 5183 5184 5185
<u>(f) For an owner or operator of a nuclear generating facility in this state:</u>	5186 5187
<u>(i) The attribution of value of nuclear generation for the purpose of meeting greenhouse gas emissions reductions for a period of not more than ten years after the effective date of this section;</u>	5188 5189 5190 5191

<u>(ii) A plan for the disposal of nuclear waste generated by</u>	5192
<u>the provider's operations;</u>	5193
<u>(iii) A plan for a just transition associated with the</u>	5194
<u>retirement of the nuclear generating facility.</u>	5195
<u>(g) The reports and findings of independent operational,</u>	5196
<u>economic, and financial audits of all existing fossil fuel and</u>	5197
<u>nuclear generation facilities the provider used to develop and</u>	5198
<u>support the plan;</u>	5199
<u>(h) The reports and findings of independent management and</u>	5200
<u>organizational audits of all investor-owned utilities operating</u>	5201
<u>in this state used to develop and support the plan;</u>	5202
<u>(i) Identification of the potential for stranded costs or</u>	5203
<u>unrecovered investments in fossil fuel generation facilities and</u>	5204
<u>the measures to be taken to minimize or eliminate the stranded</u>	5205
<u>costs or unrecovered investments and to avoid them in the</u>	5206
<u>future;</u>	5207
<u>(j) Detailed explanation on how the plan ensures that low-</u>	5208
<u>and moderate-income customers are able to participate in the</u>	5209
<u>economic and environmental benefits of clean energy resources,</u>	5210
<u>including weatherization, energy waste reduction, energy audits,</u>	5211
<u>and community solar;</u>	5212
<u>(k) Creation of incentives to direct clean energy</u>	5213
<u>investments to economically disadvantaged communities and</u>	5214
<u>communities affected by the transition from fossil fuel</u>	5215
<u>generation facilities and decommissioned nuclear power plants.</u>	5216
<u>(3) Interim carbon reduction benchmarks for achieving the</u>	5217
<u>requirements established in section 4928.45 of the Revised Code;</u>	5218
<u>(4) Financial and other penalties, including revocation of</u>	5219

operating licenses or certificates, for failure to achieve 5220
carbon reduction plan goals. 5221

Sec. 4928.51. (A) There is hereby established in the state 5222
treasury a universal service fund, into which shall be deposited 5223
all universal service revenues remitted to the director of 5224
development under this section, for the exclusive purposes of 5225
providing funding for the low-income customer assistance 5226
programs and for the consumer education program authorized under 5227
section 4928.56 of the Revised Code, and paying the 5228
administrative costs of the low-income customer assistance 5229
programs and the consumer education program. Interest on the 5230
fund shall be credited to the fund. Disbursements from the fund 5231
shall be made to any supplier that provides a competitive retail 5232
electric service or a noncompetitive retail electric service to 5233
a customer who is approved to receive assistance under a 5234
specified low-income customer assistance program and to any 5235
authorized provider of weatherization or energy ~~efficiency-waste~~ 5236
reduction service to a customer approved to receive such 5237
assistance under a specified low-income customer assistance 5238
program. 5239

(B) Universal service revenues shall include all of the 5240
following: 5241

(1) Revenues remitted to the director after collection by 5242
an electric distribution utility beginning July 1, 2000, 5243
attributable to the collection from customers of the universal 5244
service rider prescribed under section 4928.52 of the Revised 5245
Code; 5246

(2) Revenues remitted to the director that have been 5247
collected by an electric distribution utility beginning July 1, 5248
2000, as customer payments under the percentage of income 5249

payment plan program, including revenues remitted under division 5250
(C) of this section; 5251

(3) Adequate revenues remitted to the director after 5252
collection by a municipal electric utility or electric 5253
cooperative in this state not earlier than July 1, 2000, upon 5254
the utility's or cooperative's decision to participate in the 5255
low-income customer assistance programs. 5256

(C) (1) Beginning July 1, 2000, an electric distribution 5257
utility shall transfer to the director the right to collect all 5258
arrearage payments of a customer for percentage of income 5259
payment plan program debt owed to the utility on the day before 5260
that date or retain the right to collect that debt but remit to 5261
the director all program revenues received by the utility for 5262
that customer. 5263

(2) A current or past percentage of income payment plan 5264
program customer is relieved of any payment obligation under the 5265
percentage of income payment program for any unpaid arrears 5266
accrued by the customer under the program as of the effective 5267
date of this section if the customer, as determined by the 5268
director, meets both of the following criteria: 5269

(a) The customer as of that date has complied with 5270
customer payment responsibilities under the program. 5271

(b) The customer is permanently and totally disabled as 5272
defined in section 5117.01 of the Revised Code or is sixty-five 5273
years of age or older as defined in that section. 5274

(D) The public utilities commission shall complete an 5275
audit of each electric utility by July 1, 2000, for the purpose 5276
of establishing a baseline for the percentage of income payment 5277
plan program component of the low-income assistance programs. 5278

Sec. 4928.52. (A) Beginning July 1, 2000, the universal 5279
service rider shall replace the percentage of income payment 5280
plan rider in existence on the effective date of this section 5281
and any amount in the rates of an electric utility for the 5282
funding of low-income customer energy ~~efficiency~~waste reduction 5283
programs. The universal service rider shall be a rider on retail 5284
electric distribution service rates as such rates are determined 5285
by the public utilities commission pursuant to this chapter. The 5286
universal service rider for the first five years after the 5287
starting date of competitive retail electric service shall be 5288
the sum of all of the following: 5289

(1) The level of the percentage of income payment plan 5290
program rider in existence on the effective date of this 5291
section; 5292

(2) An amount equal to the level of funding for low-income 5293
customer energy ~~efficiency~~waste reduction programs provided 5294
through electric utility rates in effect on the effective date 5295
of this section; 5296

(3) Any additional amount necessary and sufficient to fund 5297
through the universal service rider the administrative costs of 5298
the low-income customer assistance programs and the consumer 5299
education program created in section 4928.56 of the Revised 5300
Code. 5301

(B) If, during or after the five-year period specified in 5302
division (A) of this section, the director of development, after 5303
consultation with the public benefits advisory board created 5304
under section 4928.58 of the Revised Code, determines that 5305
revenues in the universal service fund and revenues from federal 5306
or other sources of funding for those programs, including 5307
general revenue fund appropriations for the Ohio energy credit 5308

program, will be insufficient to cover the administrative costs 5309
of the low-income customer assistance programs and the consumer 5310
education program and provide adequate funding for those 5311
programs, the director shall file a petition with the commission 5312
for an increase in the universal service rider. The commission, 5313
after reasonable notice and opportunity for hearing, may adjust 5314
the universal service rider by the minimum amount necessary to 5315
provide the additional revenues. The commission shall not 5316
decrease the universal service rider without the approval of the 5317
director, after consultation by the director with the advisory 5318
board. 5319

(C) The universal service rider established under division 5320
(A) or (B) of this section shall be set in such a manner so as 5321
not to shift among the customer classes of electric distribution 5322
utilities the costs of funding low-income customer assistance 5323
programs. 5324

Sec. 4928.55. The director of development ~~services~~ shall 5325
establish an energy ~~efficiency~~ waste reduction and 5326
weatherization program targeted, to the extent practicable, to 5327
high-cost, high-volume use structures occupied by customers 5328
eligible for the percentage of income payment plan program, with 5329
the goal of reducing the energy bills of the occupants. 5330
Acceptance of energy ~~efficiency~~ waste reduction and 5331
weatherization services provided by the program shall be a 5332
condition for the eligibility of any such customer to 5333
participate in the percentage of income payment plan program. 5334

Sec. 4928.56. The director of development may adopt rules 5335
in accordance with Chapter 119. of the Revised Code establishing 5336
an education program for consumers eligible to participate in 5337
the low-income customer assistance programs. The education 5338

program shall provide information to consumers regarding energy 5339
~~efficiency-waste reduction~~ and energy conservation. 5340

Sec. 4928.58. (A) There is hereby created the public 5341
benefits advisory board, which has the purpose of ensuring that 5342
energy services be provided to low-income consumers in this 5343
state in an affordable manner consistent with the policy 5344
specified in section 4928.02 of the Revised Code. The advisory 5345
board shall consist of twenty-one members as follows: the 5346
director of development, the chairperson of the public utilities 5347
commission, the consumers' counsel, and the director of the air 5348
quality development authority, each serving ex officio and 5349
represented by a designee at the official's discretion; two 5350
members of the house of representatives appointed by the speaker 5351
of the house of representatives, neither of the same political 5352
party, and two members of the senate appointed by the president 5353
of the senate, neither of the same political party; and thirteen 5354
members appointed by the governor with the advice and consent of 5355
the senate, consisting of one representative of suppliers of 5356
competitive retail electric service; one representative of the 5357
residential class of electric utility customers; one 5358
representative of the industrial class of electric utility 5359
customers; one representative of the commercial class of 5360
electric utility customers; one representative of agricultural 5361
or rural customers of an electric utility; two customers 5362
receiving assistance under one or more of the low-income 5363
customer assistance programs, to represent customers eligible 5364
for any such assistance, including senior citizens; one 5365
representative of the general public; one representative of 5366
local intake agencies; one representative of a community-based 5367
organization serving low-income customers; one representative of 5368
environmental protection interests; one representative of 5369

lending institutions; and one person considered an expert in 5370
energy ~~efficiency-waste reduction~~ or renewables technology. 5371
Initial appointments shall be made not later than November 1, 5372
1999. 5373

(B) Initial terms of six of the appointed members shall 5374
end on June 30, 2003, and initial terms of the remaining seven 5375
appointed members shall end on June 30, 2004. Thereafter, terms 5376
of appointed members shall be for three years, with each term 5377
ending on the same day of the same month as the term it 5378
succeeds. Each member shall hold office from the date of the 5379
member's appointment until the end of the term for which the 5380
member was appointed. Members may be reappointed. 5381

Vacancies shall be filled in the manner provided for 5382
original appointments. Any member appointed to fill a vacancy 5383
occurring prior to the expiration date of the term for which the 5384
member's predecessor was appointed shall hold office as a member 5385
for the remainder of that term. A member shall continue in 5386
office after the expiration date of the member's term until the 5387
member's successor takes office or until a period of sixty days 5388
has elapsed, whichever occurs first. 5389

(C) Board members shall be reimbursed for their actual and 5390
necessary expenses incurred in the performance of board duties. 5391
The reimbursements constitute, as applicable, administrative 5392
costs of the low-income customer assistance programs for the 5393
purpose of division (A) of section 4928.51 of the Revised Code 5394
or administrative costs of the advanced energy program for the 5395
purpose of division (A) of section 4528.61 of the Revised Code. 5396

(D) The advisory board shall select a chairperson from 5397
among its members. Only board members appointed by the governor 5398
with the advice and consent of the senate shall be voting 5399

members of the board; each shall have one vote in all 5400
deliberations of the board. A majority of the voting members 5401
constitute a quorum. 5402

(E) The duties of the advisory board shall be as follows: 5403

(1) Advise the director in the administration of the 5404
universal service fund and the low-income customer assistance 5405
programs and advise the director on the director's 5406
recommendation to the commission regarding the appropriate level 5407
of the universal service rider; 5408

(2) Advise the director on the administration of the 5409
advanced energy program and the advanced energy fund under 5410
sections 4928.61 to 4928.63 of the Revised Code. 5411

(F) The advisory board is not an agency for purposes of 5412
sections 101.82 to 101.87 of the Revised Code. 5413

Sec. 4928.61. (A) There is hereby established in the state 5414
treasury the advanced energy fund, into which shall be deposited 5415
all advanced energy revenues remitted to the director of 5416
development under division (B) of this section, for the 5417
exclusive purposes of funding the advanced energy program 5418
created under section 4928.62 of the Revised Code and paying the 5419
program's administrative costs. Interest on the fund shall be 5420
credited to the fund. 5421

(B) Advanced energy revenues shall include all of the 5422
following: 5423

(1) Revenues remitted to the director after collection by 5424
each electric distribution utility in this state of a temporary 5425
rider on retail electric distribution service rates as such 5426
rates are determined by the public utilities commission pursuant 5427
to this chapter. The rider shall be a uniform amount statewide, 5428

determined by the director of development, after consultation 5429
with the public benefits advisory board created by section 5430
4928.58 of the Revised Code. The amount shall be determined by 5431
dividing an aggregate revenue target for a given year as 5432
determined by the director, after consultation with the advisory 5433
board, by the number of customers of electric distribution 5434
utilities in this state in the prior year. Such aggregate 5435
revenue target shall not exceed more than fifteen million 5436
dollars in any year through 2005 and shall not exceed more than 5437
five million dollars in any year after 2005. The rider shall be 5438
imposed beginning on the effective date of the amendment of this 5439
section by Sub. H.B. 251 of the 126th general assembly, January 5440
4, 2007, and shall terminate at the end of ten years following 5441
the starting date of competitive retail electric service or 5442
until the advanced energy fund, including interest, reaches one 5443
hundred million dollars, whichever is first. 5444

(2) Revenues from payments, repayments, and collections 5445
under the advanced energy program and from program income; 5446

(3) Revenues remitted to the director after collection by 5447
a municipal electric utility or electric cooperative in this 5448
state upon the utility's or cooperative's decision to 5449
participate in the advanced energy fund; 5450

(4) Revenues from renewable energy compliance payments as 5451
provided under division (C)(2) of section 4928.64 of the Revised 5452
Code; 5453

(5) Revenue from forfeitures under division (C) of section 5454
4928.66 of the Revised Code; 5455

(6) Funds transferred pursuant to division (B) of Section 5456
512.10 of S.B. 315 of the 129th general assembly; 5457

(7) Interest earnings on the advanced energy fund. 5458

(C) (1) Each electric distribution utility in this state 5459
shall remit to the director on a quarterly basis the revenues 5460
described in divisions (B) (1) and (2) of this section. Such 5461
remittances shall occur within thirty days after the end of each 5462
calendar quarter. 5463

(2) Each participating electric cooperative and 5464
participating municipal electric utility shall remit to the 5465
director on a quarterly basis the revenues described in division 5466
(B) (3) of this section. Such remittances shall occur within 5467
thirty days after the end of each calendar quarter. For the 5468
purpose of division (B) (3) of this section, the participation of 5469
an electric cooperative or municipal electric utility in the 5470
energy ~~efficiency-waste reduction~~ revolving loan program as it 5471
existed immediately prior to the effective date of the amendment 5472
of this section by Sub. H.B. 251 of the 126th general assembly, 5473
January 4, 2007, does not constitute a decision to participate 5474
in the advanced energy fund under this section as so amended. 5475

(3) All remittances under divisions (C) (1) and (2) of this 5476
section shall continue only until the end of ten years following 5477
the starting date of competitive retail electric service or 5478
until the advanced energy fund, including interest, reaches one 5479
hundred million dollars, whichever is first. 5480

(D) Any moneys collected in rates for non-low-income 5481
customer energy ~~efficiency-waste reduction~~ programs, as of 5482
October 5, 1999, and not contributed to the energy ~~efficiency-~~ 5483
~~waste reduction~~ revolving loan fund authorized under this 5484
section prior to the effective date of its amendment by Sub. 5485
H.B. 251 of the 126th general assembly, January 4, 2007, shall 5486
be used to continue to fund cost-effective, residential energy 5487

~~efficiency-waste reduction~~ programs, be contributed into the 5488
universal service fund as a supplement to that required under 5489
section 4928.53 of the Revised Code, or be returned to 5490
ratepayers in the form of a rate reduction at the option of the 5491
affected electric distribution utility. 5492

Sec. 4928.62. (A) There is hereby created the advanced 5493
energy program, which shall be administered by the director of 5494
development. Under the program, the director may authorize the 5495
use of moneys in the advanced energy fund for financial, 5496
technical, and related assistance for advanced energy projects 5497
in this state or for economic development assistance, in 5498
furtherance of the purposes set forth in section 4928.63 of the 5499
Revised Code. 5500

(1) To the extent feasible given approved applications for 5501
assistance, the assistance shall be distributed among the 5502
certified territories of electric distribution utilities and 5503
participating electric cooperatives, and among the service areas 5504
of participating municipal electric utilities, in amounts 5505
proportionate to the remittances of each utility and cooperative 5506
under divisions (B) (1) and (3) of section 4928.61 of the Revised 5507
Code. 5508

(2) The funds described in division (B) (6) of section 5509
4928.61 of the Revised Code shall not be subject to the 5510
territorial requirements of division (A) (1) of this section. 5511

(3) The director shall not authorize financial assistance 5512
for an advanced energy project under the program unless the 5513
director first determines that the project will create new jobs 5514
or preserve existing jobs in this state or use innovative 5515
technologies or materials. 5516

(B) In carrying out sections 4928.61 to 4928.63 of the Revised Code, the director may do all of the following to further the public interest in advanced energy projects and economic development:

(1) Award grants, contracts, loans, loan participation agreements, linked deposits, and energy production incentives;

(2) Acquire in the name of the director any property of any kind or character in accordance with this section, by purchase, purchase at foreclosure, or exchange, on such terms and in such manner as the director considers proper;

(3) Make and enter into all contracts and agreements necessary or incidental to the performance of the director's duties and the exercise of the director's powers under sections 4928.61 to 4928.63 of the Revised Code;

(4) Employ or enter into contracts with financial consultants, marketing consultants, consulting engineers, architects, managers, construction experts, attorneys, technical monitors, energy evaluators, or other employees or agents as the director considers necessary, and fix their compensation;

(5) Adopt rules prescribing the application procedures for financial assistance under the advanced energy program; the fees, charges, interest rates, payment schedules, local match requirements, and other terms and conditions of any grants, contracts, loans, loan participation agreements, linked deposits, and energy production incentives; criteria pertaining to the eligibility of participating lending institutions; and any other matters necessary for the implementation of the program;

(6) Do all things necessary and appropriate for the

operation of the program. 5546

(C) The department of development may hold ownership to 5547
any unclaimed energy ~~efficiency~~waste reduction and renewable 5548
energy emission allowances provided for in Chapter 3745-14 of 5549
the Administrative Code or otherwise, that result from advanced 5550
energy projects that receive funding from the advanced energy 5551
fund, and it may use the allowances to further the public 5552
interest in advanced energy projects or for economic 5553
development. 5554

(D) Financial statements, financial data, and trade 5555
secrets submitted to or received by the director from an 5556
applicant or recipient of financial assistance under sections 5557
4928.61 to 4928.63 of the Revised Code, or any information taken 5558
from those statements, data, or trade secrets for any purpose, 5559
are not public records for the purpose of section 149.43 of the 5560
Revised Code. 5561

(E) Nothing in the amendments of sections 4928.61, 5562
4928.62, and 4928.63 of the Revised Code by Sub. H.B. 251 of the 5563
126th general assembly shall affect any pending or effected 5564
assistance, pending or effected purchases or exchanges of 5565
property made, or pending or effected contracts or agreements 5566
entered into pursuant to division (A) or (B) of this section as 5567
the section existed prior to the effective date of those 5568
amendments, January 4, 2007, or shall affect the exemption 5569
provided under division (C) of this section as the section 5570
existed prior to that effective date. 5571

(F) Any assistance a school district receives for an 5572
advanced energy project, including a geothermal heating, 5573
ventilating, and air conditioning system, shall be in addition 5574
to any assistance provided under Chapter 3318. of the Revised 5575

Code and shall not be included as part of the district or state 5576
portion of the basic project cost under that chapter. 5577

Sec. 4928.621. (A) Any Edison technology center in this 5578
state is eligible to apply for and receive assistance pursuant 5579
to section 4928.62 of the Revised Code for the purposes of 5580
creating an advanced energy manufacturing center in this state 5581
that will provide for the exchange of information and expertise 5582
regarding advanced energy, assisting with the design of advanced 5583
energy projects, developing workforce training programs for such 5584
projects, and encouraging investment in advanced energy 5585
manufacturing technologies for advanced energy products and 5586
investment in sustainable manufacturing operations that create 5587
high-paying jobs in this state. 5588

(B) Any university or group of universities in this state 5589
that conducts research on any advanced energy resource or any 5590
not-for-profit corporation formed to address issues affecting 5591
the price and availability of electricity and having members 5592
that are small businesses may apply for and receive assistance 5593
pursuant to section 4928.62 of the Revised Code for the purpose 5594
of encouraging research in this state that is directed at 5595
innovation in or the refinement of those resources or for the 5596
purpose of educational outreach regarding those resources and, 5597
to that end, shall use that assistance to establish such a 5598
program of research or education outreach. Any such educational 5599
outreach shall be directed at an increase in, innovation 5600
regarding, or refinement of access by or of application or 5601
understanding of businesses and consumers in this state 5602
regarding, advanced energy resources. 5603

(C) Any independent group located in this state the 5604
express objective of which is to educate small businesses in 5605

this state regarding renewable energy resources and energy 5606
~~efficiency-waste reduction~~ programs, or any small business 5607
located in this state electing to utilize an advanced energy 5608
project or participate in an energy ~~efficiency-waste reduction~~ 5609
program, is eligible to apply for and receive assistance 5610
pursuant to section 4928.62 of the Revised Code. 5611

(D) Nothing in this section shall be construed as limiting 5612
the eligibility of any qualifying entity to apply for or receive 5613
assistance pursuant to section 4928.62 of the Revised Code. 5614

Sec. 4928.64. (A) (1) As used in this section, "qualifying 5615
renewable energy resource" means a renewable energy resource, as 5616
defined in section 4928.01 of the Revised Code that: 5617

(a) Has a placed-in-service date on or after January 1, 5618
1998; 5619

(b) Is any run-of-the-river hydroelectric facility that 5620
has an in-service date on or after January 1, 1980; 5621

(c) Is a small hydroelectric facility; 5622

(d) Is created on or after January 1, 1998, by the 5623
modification or retrofit of any facility placed in service prior 5624
to January 1, 1998; or 5625

(e) Is a mercantile customer-sited renewable energy 5626
resource, whether new or existing, that the mercantile customer 5627
commits for integration into the electric distribution utility's 5628
demand-response, energy ~~efficiency~~waste reduction, or peak 5629
demand reduction programs as provided under division (A) (2) (c) 5630
of section 4928.66 of the Revised Code, including, but not 5631
limited to, any of the following: 5632

(i) A resource that has the effect of improving the 5633

relationship between real and reactive power; 5634

(ii) A resource that makes efficient use of waste heat or 5635
other thermal capabilities owned or controlled by a mercantile 5636
customer; 5637

(iii) Storage technology that allows a mercantile customer 5638
more flexibility to modify its demand or load and usage 5639
characteristics; 5640

(iv) Electric generation equipment owned or controlled by 5641
a mercantile customer that uses a renewable energy resource. 5642

(2) For the purpose of this section and as it considers 5643
appropriate, the public utilities commission may classify any 5644
new technology as such a qualifying renewable energy resource. 5645

(B) (1) By the end of 2026, an electric distribution 5646
utility shall have provided from qualifying renewable energy 5647
resources, including, at its discretion, qualifying renewable 5648
energy resources obtained pursuant to an electricity supply 5649
contract, a portion of the electricity supply required for its 5650
standard service offer under section 4928.141 of the Revised 5651
Code, and an electric services company shall have provided a 5652
portion of its electricity supply for retail consumers in this 5653
state from qualifying renewable energy resources, including, at 5654
its discretion, qualifying renewable energy resources obtained 5655
pursuant to an electricity supply contract. That portion shall 5656
equal eight and one-half per cent of the total number of 5657
kilowatt hours of electricity sold by the subject utility or 5658
company to any and all retail electric consumers whose electric 5659
load centers are served by that utility and are located within 5660
the utility's certified territory or, in the case of an electric 5661
services company, are served by the company and are located 5662

within this state. However, nothing in this section precludes a utility or company from providing a greater percentage.

(2) Subject to section 4928.642 of the Revised Code, the portion required under division (B)(1) of this section shall be generated from renewable energy resources in accordance with the following benchmarks:

	1	2	3
A	By end of year	Renewable energy resources	Solar energy resources
B	2009	0.25%	0.004%
C	2010	0.50%	0.010%
D	2011	1%	0.030%
E	2012	1.5%	0.060%
F	2013	2%	0.090%
G	2014	2.5%	0.12%
H	2015	2.5%	0.12%
I	2016	2.5%	0.12%
J	2017	3.5%	0.15%
K	2018	4.5%	0.18%
L	2019	5.5%	0.22%

M	2020	5.5%	0%
N	2021	6%	0%
O	2022	6.5%	0%
P	2023	7%	0%
Q	2024	7.5%	0%
R	2025	8%	0%
S	2026	8.5%	0%

(3) The qualifying renewable energy resources implemented 5670
by the utility or company shall be met either: 5671

(a) Through facilities located in this state; or 5672

(b) With resources that can be shown to be deliverable 5673
into this state. 5674

(C) (1) The commission annually shall review an electric 5675
distribution utility's or electric services company's compliance 5676
with the most recent applicable benchmark under division (B) (2) 5677
of this section and, in the course of that review, shall 5678
identify any undercompliance or noncompliance of the utility or 5679
company that it determines is weather-related, related to 5680
equipment or resource shortages for qualifying renewable energy 5681
resources as applicable, or is otherwise outside the utility's 5682
or company's control. 5683

(2) Subject to the cost cap provisions of division (C) (3) 5684
of this section, if the commission determines, after notice and 5685
opportunity for hearing, and based upon its findings in that 5686

review regarding avoidable undercompliance or noncompliance, but 5687
subject to division (C) (4) of this section, that the utility or 5688
company has failed to comply with any such benchmark, the 5689
commission shall impose a renewable energy compliance payment on 5690
the utility or company. 5691

(a) The compliance payment pertaining to the solar energy 5692
resource benchmarks under division (B) (2) of this section shall 5693
be an amount per megawatt hour of undercompliance or 5694
noncompliance in the period under review, as follows: 5695

(i) Three hundred dollars for 2014, 2015, and 2016; 5696

(ii) Two hundred fifty dollars for 2017 and 2018; 5697

(iii) Two hundred dollars for 2019. 5698

(b) The compliance payment pertaining to the renewable 5699
energy resource benchmarks under division (B) (2) of this section 5700
shall equal the number of additional renewable energy credits 5701
that the electric distribution utility or electric services 5702
company would have needed to comply with the applicable 5703
benchmark in the period under review times an amount that shall 5704
begin at forty-five dollars and shall be adjusted annually by 5705
the commission to reflect any change in the consumer price index 5706
as defined in section 101.27 of the Revised Code, but shall not 5707
be less than forty-five dollars. 5708

(c) The compliance payment shall not be passed through by 5709
the electric distribution utility or electric services company 5710
to consumers. The compliance payment shall be remitted to the 5711
commission, for deposit to the credit of the advanced energy 5712
fund created under section 4928.61 of the Revised Code. Payment 5713
of the compliance payment shall be subject to such collection 5714
and enforcement procedures as apply to the collection of a 5715

forfeiture under sections 4905.55 to 4905.60 and 4905.64 of the 5716
Revised Code. 5717

(3) An electric distribution utility or an electric 5718
services company need not comply with a benchmark under division 5719
(B) (2) of this section to the extent that its reasonably 5720
expected cost of that compliance exceeds its reasonably expected 5721
cost of otherwise producing or acquiring the requisite 5722
electricity by three per cent or more. The cost of compliance 5723
shall be calculated as though any exemption from taxes and 5724
assessments had not been granted under section 5727.75 of the 5725
Revised Code. 5726

(4) (a) An electric distribution utility or electric 5727
services company may request the commission to make a force 5728
majeure determination pursuant to this division regarding all or 5729
part of the utility's or company's compliance with any minimum 5730
benchmark under division (B) (2) of this section during the 5731
period of review occurring pursuant to division (C) (2) of this 5732
section. The commission may require the electric distribution 5733
utility or electric services company to make solicitations for 5734
renewable energy resource credits as part of its default service 5735
before the utility's or company's request of force majeure under 5736
this division can be made. 5737

(b) Within ninety days after the filing of a request by an 5738
electric distribution utility or electric services company under 5739
division (C) (4) (a) of this section, the commission shall 5740
determine if qualifying renewable energy resources are 5741
reasonably available in the marketplace in sufficient quantities 5742
for the utility or company to comply with the subject minimum 5743
benchmark during the review period. In making this 5744
determination, the commission shall consider whether the 5745

electric distribution utility or electric services company has 5746
made a good faith effort to acquire sufficient qualifying 5747
renewable energy or, as applicable, solar energy resources to so 5748
comply, including, but not limited to, by banking or seeking 5749
renewable energy resource credits or by seeking the resources 5750
through long-term contracts. Additionally, the commission shall 5751
consider the availability of qualifying renewable energy or 5752
solar energy resources in this state and other jurisdictions in 5753
the PJM interconnection regional transmission organization, 5754
L.L.C., or its successor and the midcontinent independent system 5755
operator or its successor. 5756

(c) If, pursuant to division (C) (4) (b) of this section, 5757
the commission determines that qualifying renewable energy or 5758
solar energy resources are not reasonably available to permit 5759
the electric distribution utility or electric services company 5760
to comply, during the period of review, with the subject minimum 5761
benchmark prescribed under division (B) (2) of this section, the 5762
commission shall modify that compliance obligation of the 5763
utility or company as it determines appropriate to accommodate 5764
the finding. Commission modification shall not automatically 5765
reduce the obligation for the electric distribution utility's or 5766
electric services company's compliance in subsequent years. If 5767
it modifies the electric distribution utility or electric 5768
services company obligation under division (C) (4) (c) of this 5769
section, the commission may require the utility or company, if 5770
sufficient renewable energy resource credits exist in the 5771
marketplace, to acquire additional renewable energy resource 5772
credits in subsequent years equivalent to the utility's or 5773
company's modified obligation under division (C) (4) (c) of this 5774
section. 5775

(5) The commission shall establish a process to provide 5776

for at least an annual review of the renewable energy resource 5777
market in this state and in the service territories of the 5778
regional transmission organizations that manage transmission 5779
systems located in this state. The commission shall use the 5780
results of this study to identify any needed changes to the 5781
amount of the renewable energy compliance payment specified 5782
under divisions (C) (2) (a) and (b) of this section. Specifically, 5783
the commission may increase the amount to ensure that payment of 5784
compliance payments is not used to achieve compliance with this 5785
section in lieu of actually acquiring or realizing energy 5786
derived from qualifying renewable energy resources. However, if 5787
the commission finds that the amount of the compliance payment 5788
should be otherwise changed, the commission shall present this 5789
finding to the general assembly for legislative enactment. 5790

(D) The commission annually shall submit to the general 5791
assembly in accordance with section 101.68 of the Revised Code a 5792
report describing all of the following: 5793

(1) The compliance of electric distribution utilities and 5794
electric services companies with division (B) of this section; 5795

(2) The average annual cost of renewable energy credits 5796
purchased by utilities and companies for the year covered in the 5797
report; 5798

(3) Any strategy for utility and company compliance or for 5799
encouraging the use of qualifying renewable energy resources in 5800
supplying this state's electricity needs in a manner that 5801
considers available technology, costs, job creation, and 5802
economic impacts. 5803

The commission shall begin providing the information 5804
described in division (D) (2) of this section in each report 5805

submitted after September 10, 2012. The commission shall allow 5806
and consider public comments on the report prior to its 5807
submission to the general assembly. Nothing in the report shall 5808
be binding on any person, including any utility or company for 5809
the purpose of its compliance with any benchmark under division 5810
(B) of this section, or the enforcement of that provision under 5811
division (C) of this section. 5812

(E) All costs incurred by an electric distribution utility 5813
in complying with the requirements of this section shall be 5814
bypassable by any consumer that has exercised choice of supplier 5815
under section 4928.03 of the Revised Code. 5816

Sec. 4928.65. (A) Not later than January 1, 2015, the 5817
public utilities commission shall adopt rules governing the 5818
disclosure of the costs to customers of the renewable energy 5819
resource, energy ~~efficiency-waste reduction~~ savings, and peak 5820
demand reduction requirements of sections 4928.64 and 4928.66 of 5821
the Revised Code. The rules shall include both of the following 5822
requirements: 5823

(1) That every electric distribution utility list, on all 5824
customer bills sent by the utility, including utility 5825
consolidated bills that include both electric distribution 5826
utility and electric services company charges, the individual 5827
customer cost of the utility's compliance with all of the 5828
following for the applicable billing period: 5829

(a) The renewable energy resource requirements under 5830
section 4928.64 of the Revised Code, subject to division (B) of 5831
this section; 5832

(b) The energy ~~efficiency-waste reduction~~ savings 5833
requirements under section 4928.66 of the Revised Code; 5834

(c) The peak demand reduction requirements under section 4928.66 of the Revised Code. 5835
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(2) That every electric services company list, on all customer bills sent by the company, the individual customer cost, subject to division (B) of this section, of the company's compliance with the renewable energy resource requirements under section 4928.64 of the Revised Code for the applicable billing period. 5837
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(B)(1) For purposes of division (A)(1)(a) of this section, the cost of compliance with the renewable energy resource requirements shall be calculated by multiplying the individual customer's monthly usage by the combined weighted average of renewable-energy-credit costs, including solar-renewable-energy-credit costs, paid by all electric distribution utilities, as listed in the commission's most recently available alternative energy portfolio standard report. 5843
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(2) For purposes of division (A)(2) of this section, the cost of compliance with the renewable energy resource requirements shall be calculated by multiplying the individual customer's monthly usage by the combined weighted average of renewable-energy-credit costs, including solar-renewable-energy-credit costs, paid by all electric services companies, as listed in the commission's most recently available alternative energy portfolio standard report. 5851
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(C) The costs required to be listed under division (A)(1) of this section shall be listed on each customer's monthly bill as three distinct line items. The cost required to be listed under division (A)(2) of this section shall be listed on each customer's monthly bill as a distinct line item. 5859
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Sec. 4928.66. (A) (1) (a) Beginning in 2009, an electric 5864
distribution utility shall implement energy ~~efficiency-waste~~ 5865
reduction programs that achieve energy savings equivalent to at 5866
least three-tenths of one per cent of the total, annual average, 5867
and normalized kilowatt-hour sales of the electric distribution 5868
utility during the preceding three calendar years to customers 5869
in this state. An energy ~~efficiency-waste~~ reduction program may 5870
include a combined heat and power system placed into service or 5871
retrofitted on or after the effective date of the amendment of 5872
this section by S.B. 315 of the 129th general assembly, 5873
September 10, 2012, or a waste energy recovery system placed 5874
into service or retrofitted on or after September 10, 2012, 5875
except that a waste energy recovery system described in division 5876
(A) (38) (b) of section 4928.01 of the Revised Code may be 5877
included only if it was placed into service between January 1, 5878
2002, and December 31, 2004. For a waste energy recovery or 5879
combined heat and power system, the savings shall be as 5880
estimated by the public utilities commission. The savings 5881
requirement, using such a three-year average, shall increase to 5882
an additional five-tenths of one per cent in 2010, seven-tenths 5883
of one per cent in 2011, eight-tenths of one per cent in 2012, 5884
nine-tenths of one per cent in 2013, and one per cent in 2014. 5885
In 2015 and 2016, an electric distribution utility shall achieve 5886
energy savings equal to the result of subtracting the cumulative 5887
energy savings achieved since 2009 from the product of 5888
multiplying the baseline for energy savings, described in 5889
division (A) (2) (a) of this section, by four and two-tenths of 5890
one per cent. If the result is zero or less for the year for 5891
which the calculation is being made, the utility shall not be 5892
required to achieve additional energy savings for that year, but 5893
may achieve additional energy savings for that year. ~~The~~ 5894
Thereafter, the annual savings requirements shall be, for years 5895

2017, 2018, 2019, and 2020, an additional one per cent of the 5896
baseline, and two per cent for the year 2023 and each year 5897
thereafter, achieving cumulative energy waste reduction savings 5898
in excess of twenty-two per cent by the end of 2030. For 5899
purposes of a waste energy recovery or combined heat and power 5900
system, an electric distribution utility shall not apply more 5901
than the total annual percentage of the electric distribution 5902
utility's industrial-customer load, relative to the electric 5903
distribution utility's total load, to the annual energy savings 5904
requirement. 5905

(b) Beginning in 2009, an electric distribution utility 5906
shall implement peak demand reduction programs designed to 5907
achieve a one per cent reduction in peak demand in 2009 and an 5908
additional seventy-five hundredths of one per cent reduction 5909
each year through 2014. In 2015 and 2016, an electric 5910
distribution utility shall achieve a reduction in peak demand 5911
equal to the result of subtracting the cumulative peak demand 5912
reductions achieved since 2009 from the product of multiplying 5913
the baseline for peak demand reduction, described in division 5914
(A) (2) (a) of this section, by four and seventy-five hundredths 5915
of one per cent. If the result is zero or less for the year for 5916
which the calculation is being made, the utility shall not be 5917
required to achieve an additional reduction in peak demand for 5918
that year, but may achieve an additional reduction in peak 5919
demand for that year. In 2017 and each year thereafter through 5920
2020, the utility shall achieve an additional seventy-five 5921
hundredths of one per cent reduction in peak demand. 5922

(2) For the purposes of divisions (A) (1) (a) and (b) of 5923
this section: 5924

(a) The baseline for energy savings under division (A) (1) 5925

(a) of this section shall be the average of the total kilowatt 5926
hours the electric distribution utility sold in the preceding 5927
three calendar years. The baseline for a peak demand reduction 5928
under division (A) (1) (b) of this section shall be the average 5929
peak demand on the utility in the preceding three calendar 5930
years, except that the commission may reduce either baseline to 5931
adjust for new economic growth in the utility's certified 5932
territory. Neither baseline shall include the load and usage of 5933
any of the following customers: 5934

(i) Beginning January 1, 2017, a customer for which a 5935
reasonable arrangement has been approved under section 4905.31 5936
of the Revised Code; 5937

(ii) A customer that has opted out of the utility's 5938
portfolio plan under section 4928.6611 of the Revised Code; 5939

(iii) A customer that has opted out of the utility's 5940
portfolio plan under Section 8 of S.B. 310 of the 130th general 5941
assembly. 5942

(b) The commission may amend the benchmarks set forth in 5943
division (A) (1) (a) or (b) of this section if, after application 5944
by the electric distribution utility, the commission determines 5945
that the amendment is necessary because the utility cannot 5946
reasonably achieve the benchmarks due to regulatory, economic, 5947
or technological reasons beyond its reasonable control. 5948

(c) Compliance with divisions (A) (1) (a) and (b) of this 5949
section shall be measured by including the effects of all 5950
demand-response programs for mercantile customers of the subject 5951
electric distribution utility, all waste energy recovery systems 5952
and all combined heat and power systems, and all such mercantile 5953
customer-sited energy ~~efficiency~~waste reduction, including waste 5954

energy recovery and combined heat and power, and peak demand 5955
reduction programs, adjusted upward by the appropriate loss 5956
factors. Any mechanism designed to recover the cost of energy 5957
~~efficiency~~waste reduction, including waste energy recovery and 5958
combined heat and power, and peak demand reduction programs 5959
under divisions (A)(1)(a) and (b) of this section may exempt 5960
mercantile customers that commit their demand-response or other 5961
customer-sited capabilities, whether existing or new, for 5962
integration into the electric distribution utility's demand- 5963
response, energy ~~efficiency~~waste reduction, including waste 5964
energy recovery and combined heat and power, or peak demand 5965
reduction programs, if the commission determines that that 5966
exemption reasonably encourages such customers to commit those 5967
capabilities to those programs. If a mercantile customer makes 5968
such existing or new demand-response, energy ~~efficiency~~waste 5969
reduction, including waste energy recovery and combined heat and 5970
power, or peak demand reduction capability available to an 5971
electric distribution utility pursuant to division (A)(2)(c) of 5972
this section, the electric utility's baseline under division (A) 5973
(2)(a) of this section shall be adjusted to exclude the effects 5974
of all such demand-response, energy ~~efficiency~~waste reduction, 5975
including waste energy recovery and combined heat and power, or 5976
peak demand reduction programs that may have existed during the 5977
period used to establish the baseline. The baseline also shall 5978
be normalized for changes in numbers of customers, sales, 5979
weather, peak demand, and other appropriate factors so that the 5980
compliance measurement is not unduly influenced by factors 5981
outside the control of the electric distribution utility. 5982

(d)(i) Programs implemented by a utility may include the 5983
following: 5984

(I) Demand-response programs; 5985

(II) Smart grid investment programs, provided that such programs are demonstrated to be cost-beneficial; 5986
5987

(III) Customer-sited programs, including waste energy recovery and combined heat and power systems; 5988
5989

(IV) Transmission and distribution infrastructure improvements that reduce line losses; 5990
5991

(V) Energy ~~efficiency~~waste reduction savings and peak demand reduction that are achieved, in whole or in part, as a result of funding provided from the universal service fund established by section 4928.51 of the Revised Code to benefit low-income customers through programs that include, but are not limited to, energy audits, the installation of energy ~~efficiency~~waste reduction insulation, appliances, and windows, and other weatherization measures. 5992
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(ii) No energy ~~efficiency~~waste reduction or peak demand reduction achieved under divisions (A) (2) (d) (i) (IV) and (V) of this section shall qualify for shared savings. 6000
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(iii) Division (A) (2) (c) of this section shall be applied to include facilitating efforts by a mercantile customer or group of those customers to offer customer-sited demand-response, energy ~~efficiency~~waste reduction, including waste energy recovery and combined heat and power, or peak demand reduction capabilities to the electric distribution utility as part of a reasonable arrangement submitted to the commission pursuant to section 4905.31 of the Revised Code. 6003
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(e) No programs or improvements described in division (A) (2) (d) of this section shall conflict with any statewide building code adopted by the board of building standards. 6011
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(B) In accordance with rules it shall adopt, the public 6014

utilities commission shall produce and docket at the commission 6015
an annual report containing the results of its verification of 6016
the annual levels of energy ~~efficiency~~waste reductions and of 6017
peak demand reductions achieved by each electric distribution 6018
utility pursuant to division (A) of this section. A copy of the 6019
report shall be provided to the consumers' counsel. 6020

(C) If the commission determines, after notice and 6021
opportunity for hearing and based upon its report under division 6022
(B) of this section, that an electric distribution utility has 6023
failed to comply with an energy ~~efficiency~~waste reduction or 6024
peak demand reduction requirement of division (A) of this 6025
section, the commission shall assess a forfeiture on the utility 6026
as provided under sections 4905.55 to 4905.60 and 4905.64 of the 6027
Revised Code, either in the amount, per day per undercompliance 6028
or noncompliance, relative to the period of the report, equal to 6029
that prescribed for noncompliances under section 4905.54 of the 6030
Revised Code, or in an amount equal to the then existing market 6031
value of one renewable energy credit per megawatt hour of 6032
undercompliance or noncompliance. Revenue from any forfeiture 6033
assessed under this division shall be deposited to the credit of 6034
the advanced energy fund created under section 4928.61 of the 6035
Revised Code. 6036

(D) The commission may establish rules regarding the 6037
content of an application by an electric distribution utility 6038
for commission approval of a revenue decoupling mechanism under 6039
this division. Such an application shall not be considered an 6040
application to increase rates and may be included as part of a 6041
proposal to establish, continue, or expand energy ~~efficiency~~6042
waste reduction or conservation programs. The commission by 6043
order may approve an application under this division if it 6044
determines both that the revenue decoupling mechanism provides 6045

for the recovery of revenue that otherwise may be forgone by the 6046
utility as a result of or in connection with the implementation 6047
by the electric distribution utility of any energy ~~efficiency~~ 6048
waste reduction or energy conservation programs and reasonably 6049
aligns the interests of the utility and of its customers in 6050
favor of those programs. 6051

(E) The commission additionally shall adopt rules that 6052
require an electric distribution utility to provide a customer 6053
upon request with two years' consumption data in an accessible 6054
form. 6055

(F) (1) As used in divisions (F) (2), (3), and (4) of this 6056
section, "portfolio plan" has the same meaning as in division 6057
(C) (1) of section 4928.6610 of the Revised Code. 6058

(2) If an electric distribution utility has a portfolio 6059
plan in effect as of October 22, 2019, and that plan expires 6060
before December 31, 2020, the commission shall extend the plan 6061
through that date. All portfolio plans shall terminate on that 6062
date. 6063

(3) If a portfolio plan is extended beyond its commission 6064
approved term by division (F) (2) of this section, the existing 6065
plan's budget shall be increased for the extended term to 6066
include an amount equal to the annual average of the approved 6067
budget for all years of the portfolio plan in effect as of 6068
October 22, 2019. 6069

(4) All other terms and conditions of a portfolio plan 6070
extended beyond its commission-approved term by division (F) (2) 6071
of this section shall remain the same unless changes are 6072
authorized by the commission. 6073

(G) (1) Not later than February 1, 2021, the commission 6074

shall determine the cumulative energy savings collectively 6075
achieved, since 2009, by all electric distribution utilities in 6076
this state as of December 31, 2020. In determining that 6077
cumulative total, the commission shall do both of the following: 6078

(a) Include energy savings that were estimated by the 6079
commission to be achieved as of December 31, 2020, and banked 6080
under ~~division (G) of~~ section 4928.662 of the Revised Code; 6081

(b) Use an energy savings baseline that is the average of 6082
the total kilowatt hours sold by all electric distribution 6083
utilities in this state in the calendar years 2018, 2019, and 6084
2020. The baseline shall exclude the load and usage described in 6085
division (A) (2) (a) (i), (ii), and (iii) of this section. That 6086
baseline may also be reduced for new economic growth in the 6087
utility's certified territory as provided in division (A) (2) (a) 6088
of this section and adjusted and normalized as provided in 6089
division (A) (2) (c) of this section. 6090

(2) (a) If the cumulative energy savings collectively 6091
achieved as determined by the commission under division (G) (1) 6092
of this section is at least seventeen and one-half per cent of 6093
the baseline described in division (G) (1) (b) of this section, 6094
then full compliance with division (A) (1) (a) of this section 6095
shall be deemed to have been achieved notwithstanding any 6096
provision of this section to the contrary. 6097

(b) If the cumulative energy savings collectively achieved 6098
as determined by the commission under division (G) (1) of this 6099
section is less than seventeen and one-half per cent of the 6100
baseline described in division (G) (1) (b) of this section, then 6101
both of the following shall apply: 6102

(i) The commission shall determine the manner in which 6103

further implementation of energy ~~efficiency-waste reduction~~ 6104
programs shall occur as may be reasonably necessary for 6105
collective achievement of cumulative energy savings equal to 6106
seventeen and one-half per cent, and not more, of the baseline 6107
described in division (G) (1) (b) of this section. 6108

(ii) Full compliance with division (A) (1) (a) of this 6109
section shall be deemed to be achieved as of a date certain 6110
established by the commission notwithstanding any provision of 6111
this section to the contrary. 6112

~~(3)~~ (3) (a) Upon the date that full compliance with division 6113
(A) (1) (a) of this section is deemed achieved under division (G) 6114
(2) (a) or (b) of this section, any electric distribution utility 6115
cost recovery mechanisms authorized by the commission for 6116
compliance with this section shall terminate except as may be 6117
necessary to reconcile the difference between revenue collected 6118
and the allowable cost of compliance associated with compliance 6119
efforts occurring prior to December 31, 2021, for programs re- 6120
established under section 4928.661 of the Revised Code, and 6121
prior to the date upon which full compliance with division (A) 6122
(1) (a) of this section is deemed achieved, for all other 6123
compliance efforts. No such cost recovery mechanism shall be 6124
authorized by the commission beyond the period of time required 6125
to complete this final reconciliation. 6126

(b) The reconciliation of revenue collected and allowable 6127
costs described in division (G) (3) (a) of this section includes 6128
the reconciliation for programs re-established under section 6129
4928.661 of the Revised Code. 6130

(4) An electric distribution utility shall be prohibited 6131
from qualifying for shared savings in any year it uses banked 6132
savings under section 4928.662 of the Revised Code to reach 6133

minimum compliance with energy waste reduction requirements. 6134

Sec. 4928.662. For the purpose of measuring and 6135
determining compliance with the energy ~~efficiency~~waste and peak 6136
demand reduction requirements under section 4928.66 of the 6137
Revised Code, the public utilities commission shall ~~count and~~ 6138
~~recognize compliance as follows:~~ 6139

~~(A) Energy efficiency savings and peak demand reduction~~ 6140
~~achieved through actions taken by customers or through electric~~ 6141
~~distribution utility programs that comply with federal standards~~ 6142
~~for either or both energy efficiency and peak demand reduction~~ 6143
~~requirements, including resources associated with such savings~~ 6144
~~or reduction that are recognized as capacity resources by the~~ 6145
~~regional transmission organization operating in Ohio in~~ 6146
~~compliance with section 4928.12 of the Revised Code, shall count~~ 6147
~~toward compliance with the energy efficiency and peak demand~~ 6148
~~reduction requirements.~~ 6149

~~(B) Energy efficiency savings and peak demand reduction~~ 6150
~~achieved on and after the effective date of S.B. 310 of the~~ 6151
~~130th general assembly shall be measured on the higher of an as~~ 6152
~~found or deemed basis, except that, solely at the option of the~~ 6153
~~electric distribution utility, such savings and reduction~~ 6154
~~achieved since 2006 may also be measured using this method. For~~ 6155
~~new construction, the energy efficiency savings and peak demand~~ 6156
~~reduction shall be counted based on 2008 federal standards,~~ 6157
~~provided that when new construction replaces an existing~~ 6158
~~facility, the difference in energy consumed, energy intensity,~~ 6159
~~and peak demand between the new and replaced facility shall be~~ 6160
~~counted toward meeting the energy efficiency and peak demand~~ 6161
~~reduction requirements.~~ 6162

~~(C) The commission shall count both the energy efficiency~~ 6163

waste reduction savings and peak demand reduction on an 6164
annualized basis. 6165

~~(D) The commission shall count both the energy efficiency- 6166
savings and peak demand reduction on a gross savings basis. 6167~~

~~(E) The commission shall count energy efficiency savings- 6168
and peak demand reductions associated with transmission and 6169
distribution infrastructure improvements that reduce line- 6170
losses. No energy efficiency or peak demand reduction achieved- 6171
under division (E) of this section shall qualify for shared- 6172
savings. 6173~~

~~(F) Energy efficiency-waste reduction savings and peak 6174
demand reduction amounts approved by the commission shall 6175
continue to be counted toward achieving the energy efficiency- 6176
waste and peak demand reduction requirements as long as the 6177
requirements remain in effect. 6178~~

~~(G) Any energy efficiency-waste reduction savings or peak 6179
demand reduction amount achieved in excess of the requirements 6180
may, at the discretion of the electric distribution utility, be 6181
banked and applied toward achieving the energy efficiency-waste 6182
or peak demand reduction requirements in future years. 6183~~

Sec. 4928.663. (A) If an electric distribution utility had 6184
a portfolio plan that terminated on December 31, 2020, pursuant 6185
to division (F) of section 4928.66 of the Revised Code, the 6186
utility shall reestablish the portfolio plan. The portfolio plan 6187
program reestablished under this section shall include the same 6188
terms and conditions that the public utilities commission 6189
approved for the plan as it existed prior to the portfolio 6190
plan's termination. 6191

(B) Not later than sixty days after the effective date of 6192

this section, the commission shall issue an order requiring 6193
electric distribution utilities to reestablish the portfolio 6194
plan programs described in division (A) of this section and 6195
adopt rules for a collaborative pre-approval process for 6196
utilities to reestablish the portfolio plans. 6197

Sec. 4928.6610. As used in sections 4928.6611 to 4928.6615 6198
of the Revised Code: 6199

(A) "Customer" means either of the following: 6200

(1) Effective January 1, 2020, a mercantile customer as 6201
defined in section 4928.01 of the Revised Code; 6202

(2) Any customer of an electric distribution utility to 6203
which either of the following applies: 6204

(a) The customer receives service above the primary 6205
voltage level as determined by the utility's tariff 6206
classification. 6207

(b) The customer is a commercial or industrial customer to 6208
which both of the following apply: 6209

(i) The customer receives electricity through a meter of 6210
an end user or through more than one meter at a single location 6211
in a quantity that exceeds forty-five million kilowatt hours of 6212
electricity for the preceding calendar year. 6213

(ii) The customer has made a written request for 6214
registration as a self-assessing purchaser pursuant to section 6215
5727.81 of the Revised Code. 6216

(B) "Energy intensity" means the amount of energy, from 6217
electricity, used or consumed per unit of production. 6218

(C) "Portfolio plan" means either of the following: 6219

(1) The comprehensive energy ~~efficiency-waste~~ and peak-
demand reduction program portfolio plan required under rules
adopted by the public utilities commission and codified in
Chapter 4901:1-39 of the Administrative Code or hereafter
recodified or amended;

(2) Any plan implemented pursuant to division (G) of
section 4928.66 of the Revised Code.

Sec. 4928.6612. Any customer electing to opt out under
section 4928.6611 of the Revised Code shall do so by providing a
verified written notice of intent to opt out to the electric
distribution utility from which it receives service and
submitting a complete copy of the opt-out notice to the
secretary of the public utilities commission.

The notice provided to the utility shall include all of
the following:

(A) A statement indicating that the customer has elected
to opt out;

(B) The effective date of the election to opt out;

(C) The account number for each customer account to which
the opt out shall apply;

(D) The physical location of the customer's load center;

(E) The date upon which the customer established, or plans
to establish a process and implement, cost-effective measures to
improve its energy ~~efficiency-waste reduction~~ savings and peak
demand reductions.

Sec. 4928.671. As used in this section:

(A) "Virtual net metering system" means a facility for the

production of electricity that does the following: 6247

(1) Uses as its fuel either solar, wind, biomass, landfill 6248
gas, hydropower, or any other renewable resource; 6249

(2) Is not located on a customer-generator's premises; 6250

(3) Has at least one interconnection to the state's 6251
electrical grid; 6252

(4) Is intended primarily to offset part or all of a 6253
customer-generator's requirements for electricity through the 6254
use of credits or other mechanisms. 6255

(B) The public utilities commission shall promulgate rules 6256
to implement net metering through the use of a virtual net 6257
metering system, which shall include requiring electric 6258
distribution utilities to support contracts and arrangements for 6259
customer-generators utilizing such systems. 6260

(C) A customer that utilizes a virtual net metering system 6261
shall be eligible for net metering under section 4928.67 of the 6262
Revised Code on the same terms as a customer-generator, based on 6263
the amount of electricity supplied to that subscriber from the 6264
system. 6265

Sec. 4928.71. The public utilities commission shall study 6266
whether increased energy ~~efficiency~~waste reduction, demand 6267
response, generation, and transmission provide increased 6268
opportunities for customer choice. The commission shall include 6269
in the study an evaluation of emerging technologies. The 6270
commission shall commence the study not later than eighteen 6271
months after ~~the effective date of this section~~ September 10, 6272
2012. At the conclusion of the study, the commission shall 6273
prepare a report of its findings and make the report available 6274
on its web site. 6275

Sec. 4928.83. As used in sections 4928.83 to 4928.8340 of 6276
the Revised Code: 6277

"Community solar project" means a virtual power plant 6278
project that enables customers who are unable to implement 6279
rooftop solar systems to participate in a solar project by 6280
contracting to receive a portion of the output from the solar 6281
project. 6282

"Critical facilities" means military installations; 6283
hospitals; police, fire, and rescue headquarters, stations, and 6284
substations; airports; railroad and other transportation 6285
facilities; electric, gas, and water facilities; wastewater 6286
treatment plants; and facilities designated by federal or state 6287
authorities as disaster staging areas or emergency shelters. 6288

"Distributed energy resource" means energy produced or 6289
developed behind the meter, such as distributed generation, 6290
microgrids, photovoltaic power, energy storage, energy waste 6291
reduction, and demand response. "Distributed energy resource" 6292
includes aggregated forms of behind-the-meter energy, including 6293
aggregated demand response, virtual power plants, and community 6294
solar project facilities. 6295

"Energy justice" and "energy justice principles" have the 6296
same meanings as in section 185.01 of the Revised Code. 6297

"Third-party provider" means a provider of utility or 6298
technology services that is not a regulated distribution 6299
utility. 6300

"Virtual power plant" means a cloud-based power network of 6301
independent, decentralized power plants through which the 6302
capacities of distributed resources are aggregated and 6303
dispatched. 6304

Sec. 4928.832. (A) Not later than thirty days after the 6305
effective date of this section, the public utilities commission 6306
shall commence a regulatory proceeding to implement grid 6307
modernization efforts to meet the objectives described in 6308
divisions (B) to (D) of section 4928.021 of the Revised Code. At 6309
a minimum, the proceeding shall include the following: 6310

(1) A plan for meeting the objectives in a timely manner; 6311

(2) Guidance based on stakeholder input for utility grid 6312
modernization plans; 6313

(3) Additional steps and other factors that the commission 6314
determines are needed to achieve grid modernization. 6315

(B) Not more than eight months after the effective date of 6316
this section, the commission shall issue an order to accomplish 6317
the plan and goals established in the proceeding described in 6318
division (A) of this section. The order also shall establish a 6319
schedule assigning, on a staggered basis, the dates by which 6320
electric distribution utilities in the state must submit a grid 6321
modernization plan application for commission approval. No 6322
assigned date shall be later than twelve months after the date 6323
of the commission order. 6324

Sec. 4928.835. Each electric distribution utility in the 6325
state shall file a grid modernization plan application by the 6326
date prescribed for the utility in the public utilities 6327
commission order issued under section 4928.832 of the Revised 6328
Code. 6329

Sec. 4928.838. An electric distribution utility's grid 6330
modernization plan application shall include, at a minimum, the 6331
following information: 6332

(A) A hosting capacity analysis that establishes a 6333

baseline for the maximum amount of distributed energy resources, 6334
including portfolios of distributed energy resources, that an 6335
existing distribution grid, from feeder stations to substations, 6336
may accommodate safely and reliably without requiring 6337
infrastructure upgrades; 6338

(B) A detailed evaluation of the potential contributions 6339
from distributed energy resources that: 6340

(1) Includes a cost-benefit assessment according to the 6341
geographic or physical location where the resources operate and 6342
are interconnected; 6343

(2) Is based on reductions or increases in local 6344
generation capacity needs, avoided or increased investments in 6345
distribution infrastructure, safety and reliability benefits, 6346
and any other savings the resources provide to the electrical 6347
grid or to utility customers. 6348

(C) A description of multiple plausible scenarios for 6349
distributed energy resource growth in a format compatible with 6350
utility resource planning processes. 6351

Sec. 4928.8310. In addition to the requirements under 6352
section 4928.838 of the Revised Code, an electric distribution 6353
utility grid modernization plan application shall include the 6354
following: 6355

(A) A reasonable plan for offering a time-varying rate 6356
option to all customer classes; 6357

(B) Information that describes system vulnerabilities and 6358
proposed solutions to address them; 6359

(C) A detailed plan and timeline for system upgrades; 6360

(D) A plan for encouraging and incorporating distributed 6361

<u>energy resources where feasible and cost-effective;</u>	6362
<u>(E) For each proposed technology to be adopted under the plan, as applicable:</u>	6363
<u>(1) The cost of the technology, including a cost comparison with alternative resources, such as distributed energy resources;</u>	6364
<u>(2) The value of the technology to each customer class;</u>	6365
<u>(3) Whether the technology in the plan does any of the following:</u>	6366
<u>(a) Provides two-way communication;</u>	6367
<u>(b) Strengthens the grid and improves resiliency issues;</u>	6368
<u>(c) Provides data that enables third-party providers to improve customer service and provide grid services;</u>	6369
<u>(d) Enables customer interaction and options for the delivery and consumption of electricity;</u>	6370
<u>(e) Enables multiple components in the plan, such as ancillary services, energy, and capacity, from which utilities and customers may derive value;</u>	6371
<u>(f) Assists in renewable energy integration.</u>	6372
<u>(F) A plan for fostering the adoption of, and maximizing the benefits from, solar energy and storage by customers;</u>	6373
<u>(G) A plan for enabling increased demand response and energy waste reduction programs by the utility or third-party providers;</u>	6374
<u>(H) A description of the interoperability of the electrical grid and how proposed computer software can</u>	6375
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facilitate the exchange and use of information regarding 6388
electricity use; 6389

(I) A demonstration that any proposed technologies are 6390
adaptable to upgrades as technologies evolve, in order to avoid 6391
obsolescence and stranded costs; 6392

(J) A description of how the plan addresses the needs of 6393
critical facilities; 6394

(K) A detailed plan for addressing cybersecurity risks; 6395

(L) A detailed plan for the preservation of customer 6396
privacy; 6397

(M) A description of how the utility will educate 6398
customers about aspects of grid modernization, including 6399
programs, service changes, service enhancements, rate options, 6400
and customer information tools and resources; 6401

(N) A description of the plan's contribution to the 6402
improvement of public health, safety, and national security; 6403

(O) A description of how the plan addresses energy justice 6404
principles; 6405

(P) An analysis comparing the cost-effectiveness of the 6406
various technology and implementation options considered by the 6407
utility before it submitted its plan; 6408

(Q) Any other information or data that the public 6409
utilities commission requires. 6410

Sec. 4928.8312. (A) The grid modernization plan 6411
application submitted by an electric distribution utility under 6412
section 4928.835 of the Revised Code shall include a detailed 6413
cost-benefit analysis of the utility's plan. 6414

(B) The cost-benefit analysis, at a minimum, shall provide 6415
an analysis as to whether the long-term benefits of the plan 6416
exceed the costs due to the following factors: 6417

(1) A reduction in operating costs; 6418

(2) Avoided costs, such as reduced storm damage costs and 6419
thwarted cyber attacks; 6420

(3) The facilitation of new technologies that help lower 6421
distribution and generation costs, including strategically 6422
located distributed energy resources, low-cost renewable and 6423
demand response options, implementation of time-varying rates, 6424
increased system resiliency, and improved system flexibility and 6425
demand response options. 6426

Sec. 4928.8314. For each grid modernization plan, the 6427
public utilities commission shall require the following: 6428

(A) Enforceable reliability objectives, including such 6429
measures as reduction in the frequency and duration of outages; 6430

(B) Transparent reporting requirements, including publicly 6431
available performance metrics and incentives; 6432

(C) Distribution investments that are targeted to provide 6433
the most significant impacts; 6434

(D) Other mechanisms or requirements that the commission 6435
considers appropriate. 6436

Sec. 4928.8315. (A) For each grid modernization plan 6437
application submitted by an electric distribution utility under 6438
section 4928.835 of the Revised Code, the public utilities 6439
commission shall hold an evidentiary hearing prior to its 6440
decision to approve, modify and approve, or disapprove the plan. 6441
The purpose of the hearing shall be to: 6442

- (1) Allow stakeholders to provide comments on the plan; 6443
- (2) Determine whether the plan meets the policy objectives 6444
under section 4928.021 of the Revised Code; 6445
- (3) Identify any deficiencies in the plan. 6446
- (B) If the commission identifies deficiencies in the plan, 6447
the commission shall order the utility to amend and resubmit the 6448
plan. 6449
- Sec. 4928.8317.** If an electric distribution utility's grid 6450
modernization plan application proposes any increase in rates to 6451
implement any aspect of the plan, the utility shall file a rate 6452
case under Chapter 4909. of the Revised Code or include the 6453
rates as part of a pending rate case the utility has filed under 6454
that chapter. 6455
- Sec. 4928.8319.** In its review of a grid modernization plan 6456
application submitted by an electric distribution utility under 6457
section 4928.835 of the Revised Code, the public utilities 6458
commission shall consider whether the utility's plan meets the 6459
requirements described under sections 4928.838, 4928.8310, 6460
4928.8312, and 4928.8314 of the Revised Code and whether any 6461
proposed technologies described in the plan provide outcomes 6462
necessary to meet the objectives under section 4928.021 of the 6463
Revised Code. 6464
- Sec. 4928.8321.** The public utilities commission, as part 6465
of a rate case under Chapter 4909. of the Revised Code, shall 6466
approve costs for an electric distribution utility's grid 6467
modernization plan only if the commission, pursuant to sections 6468
4928.8324 and 4928.8327 of the Revised Code, determines that the 6469
costs incurred by the utility are just, reasonable, and prudent. 6470
- Sec. 4928.8324.** Before approving any costs for an electric 6471

distribution utility's grid modernization plan, the public 6472
utilities commission, under a rate case pursuant to Chapter 6473
4909. of the Revised Code, shall determine the net benefits 6474
compared to the costs for grid modernization programs. The 6475
purpose of the determination is to reduce the overall cost under 6476
the plans by: 6477

(A) Netting the savings against the costs to be recovered; 6478

(B) Adjusting the base rates and revenue requirements to 6479
reflect any added costs or reductions for costs no longer 6480
incurred. 6481

Sec. 4928.8327. (A) The public utilities commission, in a 6482
rate case under Chapter 4909. of the Revised Code, shall 6483
consider the following when approving the costs incurred under a 6484
grid modernization plan approved under section 4928.8330 of the 6485
Revised Code: 6486

(1) The plan's rate impacts on each customer class; 6487

(2) Whether there is a need for periodic independent 6488
audits of the costs incurred. 6489

(B) The commission may adopt criteria, benchmarks, and 6490
accountability mechanisms to use when evaluating any utility 6491
investment under the plan. 6492

Sec. 4928.8330. (A) Except as provided in division (B) of 6493
this section, the public utilities commission shall approve, 6494
modify and approve, disapprove, or take any action it considers 6495
appropriate with respect to an electric distribution utility's 6496
application for a grid modernization plan submitted under 6497
section 4928.835 of the Revised Code. 6498

(B) The commission shall not approve a plan unless it 6499

meets the policy objectives under section 4928.021 of the 6500
Revised Code. If a utility resubmitted its plan due to 6501
deficiencies identified in division (B) of section 4928.8315 of 6502
the Revised Code, the commission shall not approve the plan 6503
until all deficiencies are corrected. 6504

Sec. 4928.8335. If the public utilities commission 6505
approves, or modifies and approves, an electric distribution 6506
utility's grid modernization plan, the commission shall issue an 6507
order for the plan that includes findings of fact and 6508
conclusions of law addressing each plan requirement under 6509
sections 4928.838, 4928.8310, 4928.8312, and 4928.8314 of the 6510
Revised Code. 6511

Sec. 4928.8340. The public utilities commission shall 6512
adopt rules under Chapter 119. of the Revised Code to implement 6513
sections 4928.83 to 4928.8340 of the Revised Code, including 6514
rules for grid modernization plan filing requirements. 6515

Sec. 4928.85. As used in sections 4928.85 to 4928.8550 of 6516
the Revised Code: 6517

"Demand response" means actions taken, including actions 6518
by customers of electric service, to reduce energy consumption 6519
during times of peak demand for electric service, which may 6520
include incentives to customers, such as an offer of a credit or 6521
payment to customers who reduce their consumption. 6522

"Green button connect program" means the industry-led 6523
initiative through which an electric utility customer may access 6524
the customer's detailed energy usage information by securely 6525
downloading the usage data from the customer's electric utility 6526
web site. 6527

"Shadow bill" means a sample billing statement that 6528

clearly explains what a customer's total bill for electric 6529
service would be under a time-varying rate measured by a smart 6530
meter in comparison to the total due under the current billing 6531
rate method. 6532

"Smart meter" means any electric meter, including an 6533
advanced meter, that meets pertinent engineering standards using 6534
digital technology and is capable of providing usage and other 6535
technical data through two-way communications with an electric 6536
utility, as defined in division (A) (11) of section 4928.01 of 6537
the Revised Code. 6538

"Third-party provider" means a provider of utility or 6539
technology services that is not a regulated distribution 6540
utility. 6541

"Time-varying rate" includes a time-of-use rate, real-time 6542
pricing, critical peak pricing, and peak-time rebates, 6543
applicable by appropriate customer class. 6544

Sec. 4928.853. An electric distribution utility shall file 6545
an application for a smart meter plan with the public utilities 6546
commission in accordance with the requirements of sections 6547
4928.855, 4928.859, and 4928.8513 of the Revised Code before 6548
installing any advanced metering infrastructure, new smart 6549
meters, new smart meter functions, enhancements, services, or 6550
rates. 6551

Sec. 4928.855. An electric distribution utility shall 6552
include the following in an application for a smart meter plan 6553
filed with the public utilities commission: 6554

(A) A plan for the deployment of smart meters to various 6555
customer classes and any associated advanced metering 6556
infrastructure; 6557

(B) A cost-benefit analysis, including the metrics used to track the benefits achieved, for the type of smart meter the utility proposes for deployment under the plan; 6558
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(C) A plan to report and publish utility performance based on smart meter metrics measured during and after smart meter installations; 6561
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(D) A plan for offering a time-varying rate option for all customer classes, including proposed new tariffs for those rate options; 6564
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(E) A plan for the recovery of costs associated with smart meter deployment; 6567
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(F) An analysis of the rate impacts of smart meter tariffs and installations on each customer class; 6569
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(G) A plan for protecting the privacy of customer information; 6571
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(H) A cost-of-service analysis, allocated by function, of costs primarily associated with the measurement of consumption, management of demand and energy use, and other functions for smart meters and associated equipment and infrastructure; 6573
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(I) A plan for informing customers how to use a smart meter; 6577
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(J) Any other information requested by the commission. 6579

Sec. 4928.859. A plan for protecting the privacy of 6580
customer information required for a smart meter plan application 6581
under section 4928.855 of the Revised Code shall include the 6582
following information: 6583

(A) An acknowledgement by the electric distribution 6584

utility submitting the application that a customer's data is 6585
owned by the customer; 6586

(B) A process for third-party providers and aggregators to 6587
access individual customer data only upon the customer's written 6588
consent; 6589

(C) A process for providing data to third-party providers 6590
or aggregators in a manner that protects the identity of 6591
individual customers using any of the following methods: 6592

(1) Aggregation of customer data by similar customers 6593
provided that any identifying customer information is excluded; 6594

(2) Redaction of any information that can be used to 6595
identify a specific customer; 6596

(3) Any other means the commission considers appropriate 6597
to ensure the protection of customer privacy. 6598

(D) A plan for considering or implementing the green 6599
button connect initiative or similar program that streamlines 6600
customer data acquisition while maintaining customer privacy. 6601

Sec. 4928.8513. For each smart meter plan, the public 6602
utilities commission shall require the following: 6603

(A) Enforceable reliability objectives, including such 6604
objectives as reduction in the frequency and duration of 6605
outages; 6606

(B) Transparent reporting requirements, including publicly 6607
available performance metrics and incentives; 6608

(C) Distribution investments that are targeted to provide 6609
the most significant impacts; 6610

(D) Other mechanisms or requirements that the commission 6611

considers appropriate.

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Sec. 4928.8517. If an electric distribution utility's smart meter plan application proposes any increase in rates to implement any aspect of the plan, the utility shall file a rate case under Chapter 4909. of the Revised Code or include the rates as part of a pending rate case the utility has filed under that chapter.

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Sec. 4928.8521. The public utilities commission, under a rate case pursuant to Chapter 4909. of the Revised Code, shall approve costs for an electric distribution utility's approved smart meter plan only if the commission, pursuant to sections 4928.8524 and 4928.8527 of the Revised Code, determines that the costs incurred by the utility are just, reasonable, and prudent.

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Sec. 4928.8524. Before approving any costs for a smart meter plan, the public utilities commission, under a rate case pursuant to Chapter 4909. of the Revised Code, shall determine the net benefits compared to the costs for smart meter programs. The purpose of the determination is to reduce the overall cost under the plans by:

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(A) Netting the savings against the costs to be recovered;

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(B) Adjusting the base rates and revenue requirements to reflect any added costs or reductions for costs no longer incurred;

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(C) Maximizing the benefits for the customer under the plan and reducing the customer share of overall smart meter costs.

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Sec. 4928.8527. (A) The public utilities commission, under a rate case pursuant to Chapter 4909. of the Revised Code, shall consider the following when approving the costs incurred under a

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smart meter plan under section 4928.8519 of the Revised Code: 6641

(1) The plan's rate impacts on each customer class; 6642

(2) Whether there is a need for periodic independent 6643
audits of the costs incurred. 6644

(B) The commission may adopt criteria, benchmarks, and 6645
accountability mechanisms to use when evaluating any investment 6646
under the plan. 6647

Sec. 4928.8530. The public utilities commission shall 6648
approve, modify and approve, disapprove, or take any action it 6649
considers appropriate with respect to an electric distribution 6650
utility's application for a smart meter plan submitted under 6651
section 4928.853 of the Revised Code. 6652

Sec. 4928.8535. If the public utilities commission 6653
approves or modifies and approves a smart meter plan 6654
application, the commission shall issue an order that includes, 6655
at a minimum, the following: 6656

(A) The findings of fact with respect to each application 6657
requirement under sections 4928.855, 4928.859, and 4928.8513 of 6658
the Revised Code; 6659

(B) The time-varying rate options approved by the 6660
commission under the order. 6661

Sec. 4928.8537. Not later than one year after an electric 6662
distribution utility installs the first group of smart meters 6663
under a smart meter plan approved by the public utilities 6664
commission and consistent with the determination of a rate case 6665
under Chapter 4909. of the Revised Code regarding the plan, the 6666
utility shall offer the time-varying rates approved by the 6667
commission under the plan. 6668

Sec. 4928.8540. An electric distribution utility that 6669
offers time-varying rates to customers under an approved smart 6670
meter plan shall provide, for a period of one year, a shadow 6671
bill that lists what the customer's bill would be under the 6672
applicable time-varying rate. The shadow bill shall be provided 6673
in addition to, and with the same frequency as, the customer's 6674
actual bill for electric service. 6675

Sec. 4928.8543. To optimize the potential benefits of 6676
smart meters for customers, the public utilities commission may 6677
authorize the marketing and sale of demand response by electric 6678
distribution utilities, third-party providers, or aggregators of 6679
retail customers under terms and conditions established by the 6680
commission. Such authorization shall be determined as part of a 6681
rate case under Chapter 4909. of the Revised Code. 6682

Sec. 4928.8545. The terms and conditions for the marketing 6683
and sale of demand response may include demand response from 6684
retail customers that is any of the following: 6685

(A) Used by the electric distribution utility; 6686

(B) Sold to the utility, if provided through a third-party 6687
provider or aggregator of retail customers; 6688

(C) Sold into the wholesale electricity markets by the 6689
utility, third-party provider, or aggregator. 6690

Sec. 4928.8550. The public utilities commission shall 6691
adopt rules under Chapter 119. of the Revised Code to implement 6692
sections 4928.85 to 4928.8550 of the Revised Code, including 6693
rules for smart meter plan filing requirements. 6694

Sec. 4928.90. As used in sections 4928.90 to 4928.9025 of 6695
the Revised Code, "electric generating facility" means a "major 6696
utility facility" as described in division (C)(1)(a) of section 6697

4906.01 of the Revised Code. 6698

Sec. 4928.901. If an owner of an electric generating facility located in this state schedules the closure of the facility, the owner shall provide notice to the public utilities commission and the department of taxation prior to the date of the closure. The notice shall be posted on the commission's docketing information system and shall be in addition to any notice the owner is required to provide to PJM interconnection, L.L.C. or the federal energy regulatory commission. 6699
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Sec. 4928.903. If an electric generating facility located in the state permanently closes, the tax commissioner shall certify to the public utilities commission the annual tangible personal property tax loss attributable to each taxing district in which the facility is located. The amount of the loss shall equal the average of the taxes charged and payable to each taxing district with respect to the tangible personal property at the facility for the three tax years preceding the tax year in which the facility closed. 6707
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Sec. 4928.904. (A) If an electric generating facility located in the state permanently closes, the public utilities commission shall establish a nonbypassable rate mechanism to replace the tangible personal property tax revenue losses resulting from the closure and to provide funding for economic development and job training programs for the taxing districts in which the facility is located. The mechanism shall be collected from customers of all electric distribution utilities in the state. The amount collected from the mechanism shall be one hundred twenty-five per cent of the amount certified by the tax commissioner under section 4928.903 of the Revised Code. 6716
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(B) The rate mechanism shall be established through a 6727

process that the commission shall determine is not for an 6728
increase in any rate, joint rate, toll, classification, charge, 6729
or rental, notwithstanding anything to the contrary in Title 6730
XLIX of the Revised Code. 6731

Sec. 4928.906. (A) The public utilities commission shall 6732
determine the proper rate design for collecting the charges for 6733
the rate mechanism established in section 4928.904 of the 6734
Revised Code. The commission shall base the rate design on 6735
kilowatt hour usage to be collected from customers through 6736
monthly charges. 6737

(B) The terms and conditions for the mechanism shall be 6738
established through an order issued by the commission. The order 6739
shall require each electric distribution utility to do the 6740
following: 6741

(1) Remit the charges it collects under the mechanism to 6742
the treasurer of state; 6743

(2) Submit to the commission quarterly reports detailing 6744
the total of the remittances made to the treasurer of state and 6745
the dates of each remittance. 6746

Sec. 4928.909. (A) After the closure of an electric 6747
generating facility, monthly charges imposed pursuant to a 6748
mechanism established under sections 4928.904 and 4928.906 of 6749
the Revised Code shall not exceed the following: 6750

(1) One dollar and fifty cents for residential customers; 6751

(2) Five hundred dollars for commercial customers that use 6752
less than seven hundred thousand kilowatt hours of electricity 6753
or less; 6754

(3) One thousand five hundred dollars for mercantile 6755

customers. 6756

(B) The charges shall be collected for a period beginning 6757
two months before the closure and ending not more than five 6758
years later. 6759

Sec. 4928.9013. If charges are being collected for more 6760
than one electric generating facility closure under a mechanism 6761
established under sections 4928.904 and 4928.906 of the Revised 6762
Code, the public utilities commission shall review the charges 6763
being collected under section 4928.904 of the Revised Code and 6764
the payments to which each taxing district is entitled under 6765
section 4928.903 of the Revised Code. After this review, the 6766
commission shall revise the mechanism to include charges to 6767
replace the tangible personal property tax loss attributable to 6768
each taxing district of all the facilities that close and shall 6769
determine how the distribution of the charges shall be adjusted 6770
and allocated. Charges revised by the commission under this 6771
section are subject to the cost caps established under section 6772
4928.909 of the Revised Code. 6773

Sec. 4928.9015. There is hereby created the community 6774
transition facility closure fund which shall be in the custody 6775
of the treasurer of state but shall not be a part of the state 6776
treasury. The fund shall consist of the charges collected from 6777
electric customers in the state pursuant to sections 4928.904 to 6778
4928.9013 of the Revised Code. The money deposited in the fund 6779
shall be used to reimburse taxing districts in the state for 6780
tangible personal property tax losses resulting from the closure 6781
of an electric generating facility and to establish economic 6782
development and job creation programs. The fund shall be 6783
administered by the public utilities commission, and the 6784
commission shall request the treasurer of state to create the 6785

account for the fund. 6786

Sec. 4928.9018. At the direction of the public utilities 6787
commission, the treasurer of state shall distribute funds from 6788
the community transition facility closure fund to the county 6789
treasurer of each county in which a taxing district that is 6790
entitled to a payment under section 4928.903 of the Revised Code 6791
is located. For five years after the closure of an electric 6792
generating facility and subject to any adjustment made under 6793
section 4928.9013 of the Revised Code, the county treasurer 6794
shall distribute to each such taxing district an amount equal to 6795
the tangible personal property tax loss certified by the tax 6796
commissioner for the taxing district under that section. A 6797
distribution equal to one-half of the certified loss shall be 6798
made not later than the last day of February of each year, and a 6799
distribution of the remaining one-half of the certified loss 6800
shall be made not later than the last day of August of each 6801
year. The taxing district shall apportion the distribution in 6802
the same proportions as if those amounts had been levied and 6803
collected as taxes. 6804

Sec. 4928.9020. At the direction of the public utilities 6805
commission and after the distribution to taxing districts under 6806
section 4928.9018 of the Revised Code has occurred, the 6807
treasurer of state, in amounts specified by the public utilities 6808
commission, shall distribute funds to the general fund of each 6809
county that is entitled to a payment under section 4928.903 of 6810
the Revised Code. The funds shall be appropriated by the board 6811
of county commissioners for economic development and job 6812
creation programs within the taxing district. 6813

Sec. 4928.9025. The public utilities commission shall 6814
adopt rules under Chapter 119. of the Revised Code to implement 6815

sections 4928.90 to 4928.9025 of the Revised Code. 6816

Sec. 4929.02. (A) It is the policy of this state to, 6817
throughout this state: 6818

(1) Promote the availability to consumers of adequate, 6819
reliable, and reasonably priced natural gas services and goods; 6820

(2) Promote the availability of unbundled and comparable 6821
natural gas services and goods that provide wholesale and retail 6822
consumers with the supplier, price, terms, conditions, and 6823
quality options they elect to meet their respective needs; 6824

(3) Promote diversity of natural gas supplies and 6825
suppliers, by giving consumers effective choices over the 6826
selection of those supplies and suppliers; 6827

(4) Encourage innovation and market access for cost- 6828
effective supply- and demand-side natural gas services and 6829
goods; 6830

(5) Encourage cost-effective and efficient access to 6831
information regarding the operation of the distribution systems 6832
of natural gas companies in order to promote effective customer 6833
choice of natural gas services and goods; 6834

(6) Recognize the continuing emergence of competitive 6835
natural gas markets through the development and implementation 6836
of flexible regulatory treatment; 6837

(7) Promote an expeditious transition to the provision of 6838
natural gas services and goods in a manner that achieves 6839
effective competition and transactions between willing buyers 6840
and willing sellers to reduce or eliminate the need for 6841
regulation of natural gas services and goods under Chapters 6842
4905. and 4909. of the Revised Code; 6843

(8) Promote effective competition in the provision of 6844
natural gas services and goods by avoiding subsidies flowing to 6845
or from regulated natural gas services and goods; 6846

(9) Ensure that the risks and rewards of a natural gas 6847
company's offering of nonjurisdictional and exempt services and 6848
goods do not affect the rates, prices, terms, or conditions of 6849
nonexempt, regulated services and goods of a natural gas company 6850
and do not affect the financial capability of a natural gas 6851
company to comply with the policy of this state specified in 6852
this section; 6853

(10) Facilitate the state's competitiveness in the global 6854
economy; 6855

(11) Facilitate additional choices for the supply of 6856
natural gas for residential consumers, including aggregation; 6857

(12) Promote an alignment of natural gas company interests 6858
with consumer interest in energy ~~efficiency~~ waste reduction and 6859
energy conservation. 6860

(B) The public utilities commission and the office of the 6861
consumers' counsel shall follow the policy specified in this 6862
section in exercising their respective authorities relative to 6863
sections 4929.03 to 4929.30 of the Revised Code. 6864

(C) Nothing in Chapter 4929. of the Revised Code shall be 6865
construed to alter the public utilities commission's 6866
construction or application of division (E) of section 4905.03 6867
of the Revised Code. 6868

Sec. 4929.051. (A) An alternative rate plan filed by a 6869
natural gas company under section 4929.05 of the Revised Code 6870
and proposing to initiate or continue a revenue decoupling 6871
mechanism shall be considered an application not for an increase 6872

in rates if the rates, joint rates, tolls, classifications, 6873
charges, or rentals are based upon the billing determinants and 6874
revenue requirement authorized by the public utilities 6875
commission in the company's most recent rate case proceeding and 6876
the plan also establishes, continues, or expands an energy 6877
~~efficiency-waste reduction~~ or energy conservation program. 6878

(B) An alternative rate plan filed by a natural gas 6879
company under section 4929.05 of the Revised Code and seeking 6880
authorization to continue a previously approved alternative rate 6881
plan shall be considered an application not for an increase in 6882
rates. 6883

Sec. 4933.50. Within ninety days after the effective date 6884
of .. B. ... of the 134th general assembly, the public utilities 6885
commission shall require each utility to file a low-use, lower 6886
cost rate to encourage conservation along with plans for 6887
educating its customers about this rate. 6888

Sec. 5501.311. (A) Notwithstanding sections 123.01 and 6889
127.16 of the Revised Code the director of transportation may 6890
lease or lease-purchase all or any part of a transportation 6891
facility to or from one or more persons, one or more 6892
governmental agencies, a transportation improvement district, or 6893
any combination thereof, and may grant leases, easements, or 6894
licenses for lands under the control of the department of 6895
transportation. The director may adopt rules necessary to give 6896
effect to this section. 6897

(B) Plans and specifications for the construction of a 6898
transportation facility under a lease or lease-purchase 6899
agreement are subject to approval of the director and must meet 6900
or exceed all applicable standards of the department. 6901

(C) Any lease or lease-purchase agreement under which the department is the lessee shall be for a period not exceeding the then current two-year period for which appropriations have been made by the general assembly to the department, and such agreement may contain such other terms as the department and the other parties thereto agree, notwithstanding any other provision of law, including provisions that rental payments in amounts sufficient to pay bond service charges payable during the current two-year lease term shall be an absolute and unconditional obligation of the department independent of all other duties under the agreement without set-off or deduction or any other similar rights or defenses. Any such agreement may provide for renewal of the agreement at the end of each term for another term, not exceeding two years, provided that no renewal shall be effective until the effective date of an appropriation enacted by the general assembly from which the department may lawfully pay rentals under such agreement. Any such agreement may include, without limitation, any agreement by the department with respect to any costs of transportation facilities to be included prior to acquisition and construction of such transportation facilities. Any such agreement shall not constitute a debt or pledge of the faith and credit of the state, or of any political subdivision of the state, and the lessor shall have no right to have taxes or excises levied by the general assembly, or the taxing authority of any political subdivision of the state, for the payment of rentals thereunder. Any such agreement shall contain a statement to that effect.

(D) A municipal corporation, township, or county may use service payments in lieu of taxes credited to special funds or accounts pursuant to sections 5709.43, 5709.47, 5709.75, and 5709.80 of the Revised Code to provide its contribution to the

cost of a transportation facility, provided such facility was 6933
among the purposes for which such service payments were 6934
authorized. The contribution may be in the form of a lump sum or 6935
periodic payments. 6936

(E) Pursuant to the "Telecommunications Act of 1996," 110 6937
Stat. 152, 47 U.S.C. 332 note, the director may grant a lease, 6938
easement, or license in a transportation facility to a 6939
telecommunications service provider for construction, placement, 6940
or operation of a telecommunications facility. An interest 6941
granted under this division is subject to all of the following 6942
conditions: 6943

(1) The transportation facility is owned in fee simple or 6944
easement by this state at the time the lease, easement, or 6945
license is granted to the telecommunications provider. 6946

(2) The lease, easement, or license shall be granted on a 6947
competitive basis in accordance with policies and procedures to 6948
be determined by the director. The policies and procedures may 6949
include provisions for master leases for multiple sites. 6950

(3) The telecommunications facility shall be designed to 6951
accommodate the state's multi-agency radio communication system, 6952
the intelligent transportation system, and the department's 6953
communication system as the director may determine is necessary 6954
for highway or other departmental purposes. 6955

(4) The telecommunications facility shall be designed to 6956
accommodate such additional telecommunications equipment as may 6957
feasibly be co-located thereon as determined in the discretion 6958
of the director. 6959

(5) The telecommunications service providers awarded the 6960
lease, easement, or license, agree to permit other 6961

telecommunications service providers to co-locate on the 6962
telecommunications facility, and agree to the terms and 6963
conditions of the co-location as determined in the discretion of 6964
the director. 6965

(6) The director shall require indemnity agreements in 6966
favor of the department as a condition of any lease, easement, 6967
or license granted under this division. Each indemnity agreement 6968
shall secure this state and its agents from liability for 6969
damages arising out of safety hazards, zoning, and any other 6970
matter of public interest the director considers necessary. 6971

(7) The telecommunications service provider fully complies 6972
with any permit issued under section 5515.01 of the Revised Code 6973
pertaining to land that is the subject of the lease, easement, 6974
or license. 6975

(8) All plans and specifications shall meet with the 6976
director's approval. 6977

(9) Any other conditions the director determines 6978
necessary. 6979

(F) In accordance with section 5501.031 of the Revised 6980
Code, to further efforts to promote energy conservation and 6981
energy ~~efficiency~~ waste reduction, the director may grant a 6982
lease, easement, or license in a transportation facility to a 6983
utility service provider that has received its certificate from 6984
the Ohio power siting board or appropriate local entity for 6985
construction, placement, or operation of an alternative energy 6986
generating facility service provider ~~as defined in section~~ 6987
~~4928.64 of the Revised Code~~. An interest granted under this 6988
division is subject to all of the following conditions: 6989

(1) The transportation facility is owned in fee simple or 6990

in easement by this state at the time the lease, easement, or 6991
license is granted to the utility service provider. 6992

(2) The lease, easement, or license shall be granted on a 6993
competitive basis in accordance with policies and procedures to 6994
be determined by the director. The policies and procedures may 6995
include provisions for master leases for multiple sites. 6996

(3) The alternative energy generating facility shall be 6997
designed to provide energy for the department's transportation 6998
facilities with the potential for selling excess power on the 6999
power grid, as the director may determine is necessary for 7000
highway or other departmental purposes. 7001

(4) The director shall require indemnity agreements in 7002
favor of the department as a condition of any lease, easement, 7003
or license granted under this division. Each indemnity agreement 7004
shall secure this state from liability for damages arising out 7005
of safety hazards, zoning, and any other matter of public 7006
interest the director considers necessary. 7007

(5) The alternative energy service provider fully complies 7008
with any permit issued by the Ohio power siting board under 7009
Chapter 4906. of the Revised Code and complies with section 7010
5515.01 of the Revised Code pertaining to land that is the 7011
subject of the lease, easement, or license. 7012

(6) All plans and specifications shall meet with the 7013
director's approval. 7014

(7) Any other conditions the director determines 7015
necessary. 7016

(G) Money the department receives under this section shall 7017
be deposited into the state treasury to the credit of the 7018
highway operating fund. 7019

(H) A lease, easement, or license granted under division 7020
(E) or (F) of this section, and any telecommunications facility 7021
or alternative energy generating facility relating to such 7022
interest in a transportation facility, is hereby deemed to 7023
further the essential highway purpose of building and 7024
maintaining a safe, energy-efficient, and accessible 7025
transportation system. 7026

Sec. 5727.75. (A) For purposes of this section: 7027

(1) "Qualified energy project" means an energy project 7028
certified by the director of development pursuant to this 7029
section. 7030

(2) "Energy project" means a project to provide electric 7031
power through the construction, installation, and use of an 7032
energy facility. 7033

(3) "Alternative energy zone" means a county declared as 7034
such by the board of county commissioners under division (E) (1) 7035
(b) or (c) of this section. 7036

(4) "Full-time equivalent employee" means the total number 7037
of employee-hours for which compensation was paid to individuals 7038
employed at a qualified energy project for services performed at 7039
the project during the calendar year divided by two thousand 7040
eighty hours. 7041

(5) "Solar energy project" means an energy project 7042
composed of an energy facility using solar panels to generate 7043
electricity. 7044

(6) "Internet identifier of record" has the same meaning 7045
as in section 9.312 of the Revised Code. 7046

(B) (1) Tangible personal property of a qualified energy 7047

project using renewable energy resources is exempt from taxation 7048
~~for tax years 2011 through 2025~~ if all of the following 7049
conditions are satisfied: 7050

(a) ~~On or before December 31, 2024, the~~ The owner or a 7051
lessee pursuant to a sale and leaseback transaction of the 7052
project submits an application to the power siting board for a 7053
certificate under section 4906.20 of the Revised Code, or if 7054
that section does not apply, submits an application for any 7055
approval, consent, permit, or certificate or satisfies any 7056
condition required by a public agency or political subdivision 7057
of this state for the construction or initial operation of an 7058
energy project. 7059

(b) Construction or installation of the energy facility 7060
begins on or after January 1, 2009, ~~and before January 1, 2025.~~ 7061
For the purposes of this division, construction begins on the 7062
earlier of the date of application for a certificate or other 7063
approval or permit described in division (B)(1)(a) of this 7064
section, or the date the contract for the construction or 7065
installation of the energy facility is entered into. 7066

(c) For a qualified energy project with a nameplate 7067
capacity of twenty megawatts or greater, a board of county 7068
commissioners of a county in which property of the project is 7069
located has adopted a resolution under division (E)(1)(b) or (c) 7070
of this section to approve the application submitted under 7071
division (E) of this section to exempt the property located in 7072
that county from taxation. A board's adoption of a resolution 7073
rejecting an application or its failure to adopt a resolution 7074
approving the application does not affect the tax-exempt status 7075
of the qualified energy project's property that is located in 7076
another county. 7077

~~(2) If tangible personal property of a qualified energy project using renewable energy resources was exempt from taxation under this section beginning in any of tax years 2011 through 2025, and the certification under division (E) (2) of this section has not been revoked, the tangible personal property of the qualified energy project is exempt from taxation for tax year 2026 and all ensuing tax years if the property was placed into service before January 1, 2026, as certified in the construction progress report required under division (F) (2) of this section. Tangible personal property that has not been placed into service before that date is taxable property subject to taxation. An energy project for which certification has been revoked is ineligible for further exemption under this section. Revocation does not affect the tax-exempt status of the project's tangible personal property for the tax year in which revocation occurs or any prior tax year.~~

(C) Tangible personal property of a qualified energy project using clean coal technology, advanced nuclear technology, or cogeneration technology is exempt from taxation for the first tax year that the property would be listed for taxation and all subsequent years if all of the following circumstances are met:

(1) The property was placed into service before January 1, 2021. Tangible personal property that has not been placed into service before that date is taxable property subject to taxation.

(2) For such a qualified energy project with a nameplate capacity of twenty megawatts or greater, a board of county commissioners of a county in which property of the qualified energy project is located has adopted a resolution under

division (E) (1) (b) or (c) of this section to approve the 7108
application submitted under division (E) of this section to 7109
exempt the property located in that county from taxation. A 7110
board's adoption of a resolution rejecting the application or 7111
its failure to adopt a resolution approving the application does 7112
not affect the tax-exempt status of the qualified energy 7113
project's property that is located in another county. 7114

(3) The certification for the qualified energy project 7115
issued under division (E) (2) of this section has not been 7116
revoked. An energy project for which certification has been 7117
revoked is ineligible for exemption under this section. 7118
Revocation does not affect the tax-exempt status of the 7119
project's tangible personal property for the tax year in which 7120
revocation occurs or any prior tax year. 7121

(D) Except as otherwise provided in this section, real 7122
property of a qualified energy project is exempt from taxation 7123
for any tax year for which the tangible personal property of the 7124
qualified energy project is exempted under this section. 7125

(E) (1) (a) A person may apply to the director of 7126
development for certification of an energy project as a 7127
qualified energy project. For an energy project using clean coal 7128
technology, advanced nuclear technology, or cogeneration 7129
technology, the director must receive the application on or 7130
before ~~the following dates:~~ 7131

~~(i) December 31, 2024, for an energy project using~~ 7132
~~renewable energy resources;~~ 7133

~~(ii) December 31, 2017, for an energy project using clean~~ 7134
~~coal technology, advanced nuclear technology, or cogeneration~~ 7135
~~technology.~~ 7136

(b) The director shall forward a copy of each application 7137
for certification of an energy project with a nameplate capacity 7138
of twenty megawatts or greater to the board of county 7139
commissioners of each county in which the project is located and 7140
to each taxing unit with territory located in each of the 7141
affected counties. Any board that receives from the director a 7142
copy of an application submitted under this division shall adopt 7143
a resolution approving or rejecting the application unless it 7144
has adopted a resolution under division (E) (1) (c) of this 7145
section. A resolution adopted under division (E) (1) (b) or (c) of 7146
this section may require an annual service payment to be made in 7147
addition to the service payment required under division (G) of 7148
this section. The sum of the service payment required in the 7149
resolution and the service payment required under division (G) 7150
of this section shall not exceed nine thousand dollars per 7151
megawatt of nameplate capacity located in the county. The 7152
resolution shall specify the time and manner in which the 7153
payments required by the resolution shall be paid to the county 7154
treasurer. The county treasurer shall deposit the payment to the 7155
credit of the county's general fund to be used for any purpose 7156
for which money credited to that fund may be used. 7157

The board shall send copies of the resolution to the owner 7158
of the facility and the director by certified mail or, if the 7159
board has record of an internet identifier of record associated 7160
with the owner or director, by ordinary mail and by that 7161
internet identifier of record. The board shall send such notice 7162
within thirty days after receipt of the application, or a longer 7163
period of time if authorized by the director. 7164

(c) A board of county commissioners may adopt a resolution 7165
declaring the county to be an alternative energy zone and 7166
declaring all applications submitted to the director of 7167

development under this division after the adoption of the 7168
resolution, and prior to its repeal, to be approved by the 7169
board. 7170

All tangible personal property and real property of an 7171
energy project with a nameplate capacity of twenty megawatts or 7172
greater is taxable if it is located in a county in which the 7173
board of county commissioners adopted a resolution rejecting the 7174
application submitted under this division or failed to adopt a 7175
resolution approving the application under division (E) (1) (b) or 7176
(c) of this section. 7177

(2) The director shall certify an energy project if all of 7178
the following circumstances exist: 7179

(a) The application was timely submitted. 7180

(b) For an energy project with a nameplate capacity of 7181
twenty megawatts or greater, a board of county commissioners of 7182
at least one county in which the project is located has adopted 7183
a resolution approving the application under division (E) (1) (b) 7184
or (c) of this section. 7185

(c) No portion of the project's facility was used to 7186
supply electricity before December 31, 2009. 7187

(3) The director shall deny a certification application if 7188
the director determines the person has failed to comply with any 7189
requirement under this section. The director may revoke a 7190
certification if the director determines the person, or 7191
subsequent owner or lessee pursuant to a sale and leaseback 7192
transaction of the qualified energy project, has failed to 7193
comply with any requirement under this section. Upon 7194
certification or revocation, the director shall notify the 7195
person, owner, or lessee, the tax commissioner, and the county 7196

auditor of a county in which the project is located of the 7197
certification or revocation. Notice shall be provided in a 7198
manner convenient to the director. 7199

(F) The owner or a lessee pursuant to a sale and leaseback 7200
transaction of a qualified energy project shall do each of the 7201
following: 7202

(1) Comply with all applicable regulations; 7203

(2) File with the director of development a certified 7204
construction progress report before the first day of March of 7205
each year during the energy facility's construction or 7206
installation indicating the percentage of the project completed, 7207
and the project's nameplate capacity, as of the preceding 7208
thirty-first day of December. Unless otherwise instructed by the 7209
director of development, the owner or lessee of an energy 7210
project shall file a report with the director on or before the 7211
first day of March each year after completion of the energy 7212
facility's construction or installation indicating the project's 7213
nameplate capacity as of the preceding thirty-first day of 7214
December. Not later than sixty days after June 17, 2010, the 7215
owner or lessee of an energy project, the construction of which 7216
was completed before June 17, 2010, shall file a certificate 7217
indicating the project's nameplate capacity. 7218

(3) File with the director of development, in a manner 7219
prescribed by the director, a report of the total number of 7220
full-time equivalent employees, and the total number of full- 7221
time equivalent employees domiciled in Ohio, who are employed in 7222
the construction or installation of the energy facility; 7223

(4) For energy projects with a nameplate capacity of 7224
twenty megawatts or greater, repair all roads, bridges, and 7225

culverts affected by construction as reasonably required to 7226
restore them to their preconstruction condition, as determined 7227
by the county engineer in consultation with the local 7228
jurisdiction responsible for the roads, bridges, and culverts. 7229
In the event that the county engineer deems any road, bridge, or 7230
culvert to be inadequate to support the construction or 7231
decommissioning of the energy facility, the road, bridge, or 7232
culvert shall be rebuilt or reinforced to the specifications 7233
established by the county engineer prior to the construction or 7234
decommissioning of the facility. The owner or lessee of the 7235
facility shall post a bond in an amount established by the 7236
county engineer and to be held by the board of county 7237
commissioners to ensure funding for repairs of roads, bridges, 7238
and culverts affected during the construction. The bond shall be 7239
released by the board not later than one year after the date the 7240
repairs are completed. The energy facility owner or lessee 7241
pursuant to a sale and leaseback transaction shall post a bond, 7242
as may be required by the Ohio power siting board in the 7243
certificate authorizing commencement of construction issued 7244
pursuant to section 4906.10 of the Revised Code, to ensure 7245
funding for repairs to roads, bridges, and culverts resulting 7246
from decommissioning of the facility. The energy facility owner 7247
or lessee and the county engineer may enter into an agreement 7248
regarding specific transportation plans, reinforcements, 7249
modifications, use and repair of roads, financial security to be 7250
provided, and any other relevant issue. 7251

(5) Provide or facilitate training for fire and emergency 7252
responders for response to emergency situations related to the 7253
energy project and, for energy projects with a nameplate 7254
capacity of twenty megawatts or greater, at the person's 7255
expense, equip the fire and emergency responders with proper 7256

equipment as reasonably required to enable them to respond to 7257
such emergency situations; 7258

(6) Maintain a ratio of Ohio-domiciled full-time 7259
equivalent employees employed in the construction or 7260
installation of the energy project to total full-time equivalent 7261
employees employed in the construction or installation of the 7262
energy project of not less than eighty per cent in the case of a 7263
solar energy project, and not less than fifty per cent in the 7264
case of any other energy project. In the case of an energy 7265
project for which certification from the power siting board is 7266
required under section 4906.20 of the Revised Code, the number 7267
of full-time equivalent employees employed in the construction 7268
or installation of the energy project equals the number actually 7269
employed or the number projected to be employed in the 7270
certificate application, if such projection is required under 7271
regulations adopted pursuant to section 4906.03 of the Revised 7272
Code, whichever is greater. For all other energy projects, the 7273
number of full-time equivalent employees employed in the 7274
construction or installation of the energy project equals the 7275
number actually employed or the number projected to be employed 7276
by the director of development, whichever is greater. To 7277
estimate the number of employees to be employed in the 7278
construction or installation of an energy project, the director 7279
shall use a generally accepted job-estimating model in use for 7280
renewable energy projects, including but not limited to the job 7281
and economic development impact model. The director may adjust 7282
an estimate produced by a model to account for variables not 7283
accounted for by the model. 7284

(7) For energy projects with a nameplate capacity in 7285
excess of twenty megawatts, establish a relationship with a 7286
member of the university system of Ohio as defined in section 7287

3345.011 of the Revised Code or with a person offering an 7288
apprenticeship program registered with the employment and 7289
training administration within the United States department of 7290
labor or with the apprenticeship council created by section 7291
4139.02 of the Revised Code, to educate and train individuals 7292
for careers in the wind or solar energy industry. The 7293
relationship may include endowments, cooperative programs, 7294
internships, apprenticeships, research and development projects, 7295
and curriculum development. 7296

(8) Offer to sell power or renewable energy credits from 7297
the energy project to electric distribution utilities or 7298
electric service companies subject to renewable energy resource 7299
requirements under section 4928.64 of the Revised Code that have 7300
issued requests for proposal for such power or renewable energy 7301
credits. If no electric distribution utility or electric service 7302
company issues a request for proposal on or before December 31, 7303
2010, or accepts an offer for power or renewable energy credits 7304
within forty-five days after the offer is submitted, power or 7305
renewable energy credits from the energy project may be sold to 7306
other persons. Division (F) (8) of this section does not apply 7307
if: 7308

(a) The owner or lessee is a rural electric company or a 7309
municipal power agency as defined in section 3734.058 of the 7310
Revised Code. 7311

(b) The owner or lessee is a person that, before 7312
completion of the energy project, contracted for the sale of 7313
power or renewable energy credits with a rural electric company 7314
or a municipal power agency. 7315

(c) The owner or lessee contracts for the sale of power or 7316
renewable energy credits from the energy project before June 17, 7317

2010. 7318

(9) Make annual service payments as required by division 7319
(G) of this section and as may be required in a resolution 7320
adopted by a board of county commissioners under division (E) of 7321
this section. 7322

(G) The owner or a lessee pursuant to a sale and leaseback 7323
transaction of a qualified energy project shall make annual 7324
service payments in lieu of taxes to the county treasurer on or 7325
before the final dates for payments of taxes on public utility 7326
personal property on the real and public utility personal 7327
property tax list for each tax year for which property of the 7328
energy project is exempt from taxation under this section. The 7329
county treasurer shall allocate the payment on the basis of the 7330
project's physical location. Upon receipt of a payment, or if 7331
timely payment has not been received, the county treasurer shall 7332
certify such receipt or non-receipt to the director of 7333
development and tax commissioner in a form determined by the 7334
director and commissioner, respectively. Each payment shall be 7335
in the following amount: 7336

(1) In the case of a solar energy project, seven thousand 7337
dollars per megawatt of nameplate capacity located in the county 7338
as of the thirty-first-day of December of the preceding tax 7339
year; 7340

(2) In the case of any other energy project using 7341
renewable energy resources, the following: 7342

(a) If the project maintains during the construction or 7343
installation of the energy facility a ratio of Ohio-domiciled 7344
full-time equivalent employees to total full-time equivalent 7345
employees of not less than seventy-five per cent, six thousand 7346

dollars per megawatt of nameplate capacity located in the county 7347
as of the thirty-first day of December of the preceding tax 7348
year; 7349

(b) If the project maintains during the construction or 7350
installation of the energy facility a ratio of Ohio-domiciled 7351
full-time equivalent employees to total full-time equivalent 7352
employees of less than seventy-five per cent but not less than 7353
sixty per cent, seven thousand dollars per megawatt of nameplate 7354
capacity located in the county as of the thirty-first day of 7355
December of the preceding tax year; 7356

(c) If the project maintains during the construction or 7357
installation of the energy facility a ratio of Ohio-domiciled 7358
full-time equivalent employees to total full-time equivalent 7359
employees of less than sixty per cent but not less than fifty 7360
per cent, eight thousand dollars per megawatt of nameplate 7361
capacity located in the county as of the thirty-first day of 7362
December of the preceding tax year. 7363

(3) In the case of an energy project using clean coal 7364
technology, advanced nuclear technology, or cogeneration 7365
technology, the following: 7366

(a) If the project maintains during the construction or 7367
installation of the energy facility a ratio of Ohio-domiciled 7368
full-time equivalent employees to total full-time equivalent 7369
employees of not less than seventy-five per cent, six thousand 7370
dollars per megawatt of nameplate capacity located in the county 7371
as of the thirty-first day of December of the preceding tax 7372
year; 7373

(b) If the project maintains during the construction or 7374
installation of the energy facility a ratio of Ohio-domiciled 7375

full-time equivalent employees to total full-time equivalent 7376
employees of less than seventy-five per cent but not less than 7377
sixty per cent, seven thousand dollars per megawatt of nameplate 7378
capacity located in the county as of the thirty-first day of 7379
December of the preceding tax year; 7380

(c) If the project maintains during the construction or 7381
installation of the energy facility a ratio of Ohio-domiciled 7382
full-time equivalent employees to total full-time equivalent 7383
employees of less than sixty per cent but not less than fifty 7384
per cent, eight thousand dollars per megawatt of nameplate 7385
capacity located in the county as of the thirty-first day of 7386
December of the preceding tax year. 7387

(H) The director of development in consultation with the 7388
tax commissioner shall adopt rules pursuant to Chapter 119. of 7389
the Revised Code to implement and enforce this section. 7390

Section 2. That existing sections 122.077, 123.01, 123.22, 7391
125.09, 125.15, 125.19, 135.63, 135.78, 135.81, 135.82, 156.01, 7392
175.01, 307.041, 505.264, 717.02, 717.25, 1551.05, 1710.01, 7393
1710.061, 1733.04, 1733.24, 3313.372, 3345.61, 3345.69, 7394
3375.405, 4905.31, 4906.01, 4906.02, 4906.03, 4906.20, 4906.201, 7395
4911.02, 4928.01, 4928.02, 4928.142, 4928.143, 4928.51, 4928.52, 7396
4928.55, 4928.56, 4928.58, 4928.61, 4928.62, 4928.621, 4928.64, 7397
4928.65, 4928.66, 4928.662, 4928.6610, 4928.6612, 4928.71, 7398
4929.02, 4929.051, 5501.311, and 5727.75 of the Revised Code are 7399
hereby repealed. 7400

Section 3. That section 4911.021 of the Revised Code is 7401
hereby repealed. 7402

Section 4. All items in this act are hereby appropriated 7403
as designated out of any moneys in the state treasury to the 7404

credit of the designated fund. For all operating appropriations 7405
made in this act, those in the first column are for fiscal year 7406
2022 and those in the second column are for fiscal year 2023. 7407
The operating appropriations made in this act are in addition to 7408
any other operating appropriations made for the FY 2022-FY 2023 7409
biennium. 7410

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	1	2	3	4	5
A	DEV DEPARTMENT OF DEVELOPMENT				
B	General Revenue Fund Group				
C	GRF	195409	Community Support Committee	\$100,000	\$0
D	TOTAL GRF General Revenue Fund			\$100,000	\$0
E	Dedicated Purpose Fund Group				
F	5YH0	1956A4	Office of Energy Justice Operating	\$4,000,000	\$4,000,000
G	5YI0	1956A5	Office of Energy Justice Clean Energy Jobs Programs	\$15,000,000	\$15,000,000
H	TOTAL DPF Dedicated Purpose Fund Group			\$19,000,000	\$19,000,000
I	TOTAL ALL BUDGET FUND GROUPS			\$19,100,000	\$19,000,000
	COMMUNITY SUPPORT COMMITTEE				7412
	The foregoing appropriation item 195409, Community Support				7413

Committee, shall be used to support the Community Support 7414
Committee. An amount equal to the unexpended, unencumbered 7415
portion of the foregoing appropriation item 195409, Community 7416
Support Committee, at the end of fiscal year 2022 is hereby 7417
reappropriated to the Department of Development for the same 7418
purpose in fiscal year 2023. 7419

OFFICE OF ENERGY JUSTICE OPERATING 7420

The foregoing appropriation item 1956A4, Office of Energy 7421
Justice Operating, shall be used to support the operations and 7422
administrative costs of the Governor's Office of Energy Justice. 7423

Not later than 30 days after the effective date of this 7424
section, the Director of Budget and Management shall transfer 7425
\$4,000,000 cash from the General Revenue Fund to the Governor's 7426
Office of Energy Justice Operating Fund (Fund 5YH0). 7427

On July 1, 2022, or as soon as possible thereafter, the 7428
Director of Development shall certify the cash balance remaining 7429
in Fund 5YH0 to the Director of Budget and Management. Upon 7430
request of the Director of Development, the Director of Budget 7431
and Management shall transfer an amount equal to \$4,000,000 less 7432
the certified amount, from the General Revenue Fund to Fund 7433
5YH0. 7434

The Director of Development, in consultation with the 7435
Director of Budget and Management, shall establish a repayment 7436
plan to reimburse the General Revenue Fund for any cash 7437
transferred to Fund 5YH0 under this section. 7438

OFFICE OF ENERGY JUSTICE CLEAN ENERGY JOBS PROGRAMS 7439

The foregoing appropriation item 1956A5, Office of Energy 7440
Justice Clean Energy Jobs Programs, shall be used by the 7441
Director of the Governor's Office of Energy Justice to support 7442

the programs created under sections 185.20 to 185.23 of the Revised Code. 7443
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Section 5. Within the limits set forth in this act, the Director of Budget and Management shall establish accounts indicating the source and amount of funds for each appropriation made in this act, and shall determine the form and manner in which appropriation accounts shall be maintained. Expenditures from operating appropriations contained in this act shall be accounted for as though made in H.B. 110 of the 134th General Assembly. The operating appropriations made in this act are subject to all provisions of H.B. 110 of the 134th General Assembly that are generally applicable to such appropriations. 7445
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Section 6. (A) (1) As used in this section, "distributed energy resource" means an energy generating resource that can be developed on the customer's side of the meter, including: 7455
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- (a) A distributed generation system; 7458
- (b) Microgrids; 7459
- (c) Photovoltaic power; 7460
- (d) Energy storage; 7461
- (e) Energy waste reduction technologies or programs; 7462
- (f) Demand-response technologies or programs. 7463

(2) "Distributed energy resource" also includes aggregated forms of the energy resources listed in this division, including aggregated demand response, and virtual net metering described in section 4928.671 of the Revised Code. 7464
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(B) Not later than twelve months after the effective date of this section, the public utilities commission shall open a 7468
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proceeding and issue an order that shall consider the following: 7470

(1) Appropriate tariffs, contracts, or other mechanisms 7471
for the deployment of cost-effective distributed energy 7472
resources that are consistent with distribution planning 7473
objectives as determined by the commission; 7474

(2) Cost-effective methods of effectively coordinating 7475
existing commission-approved programs, incentives, and tariffs 7476
to maximize the locational benefits and minimize any incremental 7477
costs of distributed energy resources; 7478

(3) Barriers to the deployment of distributed energy 7479
resources, including: 7480

(a) Safety standards related to technology interconnection 7481
requirements and procedures, or operation of a distribution 7482
circuit in a manner that ensures reliable service; 7483

(b) Utility policies, practices, and tariffs that do not 7484
appropriately value distributed energy resources; 7485

(4) Interconnection requirements and procedures. 7486

(C) An electric distribution utility shall provide any 7487
information the commission considers relevant to issue an order 7488
addressing distributed energy resources. 7489

(D) The commission shall encourage the participation of 7490
stakeholders in its proceeding. 7491

(E) The commission may adopt criteria, benchmarks, and 7492
accountability mechanisms to evaluate the success of the 7493
utilities' efforts in promoting distributed energy resources. 7494

Section 7. (A) The Community Support Committee is created. 7495
The committee shall do all of the following: 7496

(1) Study the economic and workforce impacts that the	7497
closures of electric generating facilities have on communities	7498
in this state, including with respect to employment, local	7499
government revenues, and local school districts;	7500
(2) Develop recommendations for legislative action	7501
regarding strategies to mitigate the negative impacts that	7502
electric generating facility closures have on communities in	7503
this state;	7504
(3) Create an internet web site that includes a notice of	7505
each meeting of the committee and other relevant information and	7506
that allows users to comment publicly on topics relating to the	7507
business of the committee.	7508
(B) Not later than twelve months after the effective date	7509
of this section, the committee shall compile a report of the	7510
committee's activities, findings, and recommendations and do	7511
both of the following:	7512
(1) Publish the report on the internet web site created	7513
under division (A) (3) of this section;	7514
(2) Submit the report to all of the following individuals:	7515
(a) The Governor;	7516
(b) The Speaker of the House of Representatives;	7517
(c) The Minority Leader of the House of Representatives;	7518
(d) The President of the Senate;	7519
(e) The Minority Leader of the Senate;	7520
(f) The Chairperson of the standing committee in the House	7521
of Representatives that primarily addresses energy and public	7522
utilities matters;	7523

(g) The Chairperson of the standing committee in the Senate that primarily addresses energy and public utilities matters.	7524 7525 7526
(C) The committee consists of the following members:	7527
(1) One member of the House of Representatives, appointed by the Speaker of the House of Representatives;	7528 7529
(2) One member of the House of Representatives, appointed by the Minority Leader of the House of Representatives;	7530 7531
(3) One member of the Senate, appointed by the President of the Senate;	7532 7533
(4) One member of the Senate, appointed by the Minority Leader of the Senate;	7534 7535
(5) The Director of Commerce or the Director's designee;	7536
(6) The Director of Development or the Director's designee;	7537 7538
(7) The Superintendent of Public Instruction or the Superintendent's designee;	7539 7540
(8) The Chairperson of the Board of Directors of the nonprofit corporation formed under section 187.01 of the Revised Code or the Chairperson's designee;	7541 7542 7543
(9) The Director of the Governor's Office of Energy Justice;	7544 7545
(10) One member representing the Ohio Municipal League or its successor organization, appointed by the President of the League or its successor organization;	7546 7547 7548
(11) One member who belongs to a labor organization, appointed by the Governor;	7549 7550

- (12) One member who is a resident of a community impacted by a facility closure, appointed by the Consumers' Counsel; 7551
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- (13) One member representing the County Commissioners Association of Ohio or its successor organization, appointed by the President of the Association or its successor organization; 7553
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- (14) One member representing the Ohio Conference of the National Association for the Advancement of Colored People or its successor organization, appointed by the President and Chief Executive Officer of the Association or its successor organization; 7556
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- (15) One member representing the Ohio Hispanic Coalition or its successor organization, appointed by the President and Chief Executive Officer of the Coalition or its successor organization; 7561
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- (16) One member representing the Native American Indian Center of Central Ohio or its successor organization, appointed by the Executive Director of the Center or its successor organization; 7565
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- (17) One member representing Asian Services in Action or its successor organization, appointed by the Board President and Chief Executive Officer of that organization or its successor organization; 7569
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- (18) One member representing Equality Ohio or its successor organization, appointed by the Executive Director of that organization or its successor organization; 7573
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- (19) One member representing Reimagine Appalachia or its successor organization, appointed by the Executive Director of that organization or its successor organization. 7576
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(D) A vacancy in the membership of the Committee shall be 7579
filled in the same manner as the original appointment. Members 7580
of the committee shall serve without compensation, except that 7581
the members described in divisions (C) (10) to (19) of this 7582
section may be reimbursed for actual and necessary expenses 7583
incurred in the performance of the members' duties. Any experts 7584
invited by the Committee to assist with official Committee 7585
business may be reimbursed for reasonable travel expenses. 7586

(E) Not later than sixty days after the effective date of 7587
this section, the Committee shall hold its first meeting, at 7588
which the members shall elect from among its members a committee 7589
chairperson, vice-chairperson, and secretary. The secretary 7590
shall record the minutes of each meeting of the committee. 7591

(F) (1) The Committee shall meet at least once each month 7592
at the call of the chairperson. Notwithstanding division (C) of 7593
section 121.22 of the Revised Code, a Committee member may 7594
attend a meeting of the Committee by means of teleconference or 7595
video conference and that member is considered present in person 7596
at the meeting, may vote at the meeting, and is counted for 7597
purposes of determining whether a quorum is present at the 7598
meeting. At any meeting at which a Committee member attends by 7599
means of teleconference or video conference, the Chairperson 7600
shall ensure that the public can hear and, if the means of 7601
attendance technologically permits it, to observe, the 7602
discussions and deliberations of all the members of the 7603
committee, whether the member is participating in person or 7604
electronically. 7605

(2) If the Committee holds a public hearing at any of its 7606
meetings, the Chairperson shall provide an opportunity for 7607
public comment in person and by means of teleconference or video 7608

conference. 7609

(G) The staff of the Public Utilities Commission and the 7610
Department of Development shall provide technical and 7611
administrative support as needed by the Committee. The Committee 7612
may request staff support from other agencies as the Committee 7613
considers necessary. 7614

(H) (1) On submitting the report described in division (B) 7615
of this section, both of the following apply: 7616

(a) The Committee is abolished. 7617

(b) The Chairperson of the standing committee in the House 7618
of Representatives that primarily addresses energy and public 7619
utilities matters, and the Chairperson of the standing committee 7620
in the Senate that primarily addresses energy and public 7621
utilities matters, each shall hold at least one committee 7622
hearing to consider and provide an opportunity for public 7623
testimony and comment on the report. 7624

(2) In lieu of holding separate committee hearings under 7625
division (H) (1) (b) of this section, the chairpersons of the 7626
standing committees may hold one joint hearing. 7627

Section 8. Section 4906.02 of the Revised Code is 7628
presented in this act as a composite of the section as amended 7629
by both H.B. 110 and S.B. 52 of the 134th General Assembly. The 7630
General Assembly, applying the principle stated in division (B) 7631
of section 1.52 of the Revised Code that amendments are to be 7632
harmonized if reasonably capable of simultaneous operation, 7633
finds that the composite is the resulting version of the section 7634
in effect prior to the effective date of the section as 7635
presented in this act. 7636