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135th General Assembly

Regular Session

Sub. H. B. No. 308

2023-2024

Representatives Stein, Brennan

Cosponsors: Representatives Gross, Lipps, King, Demetriou, Bird, Holmes, Denson, Seitz, Hoops, Klopfenstein, Abdullahi, Ray, Claggett, Hillyer, Dean, Robb Blasdel, Troy, Fowler Arthur, Dobos, Forhan, Weinstein, Brewer, McClain, Thomas, J., Johnson, Williams, Richardson, Carruthers, Click, Isaacsohn, Swearingen, Abrams, Barhorst, Callender, Creech, Cross, Daniels, Edwards, Hall, John, Jones, Kick, Lear, Lorenz, Loychik, Mathews, Merrin, Miller, M., Mohamed, Patton, Pavliga, Peterson, Pizzulli, Plummer, Roemer, Santucci, Schmidt, Somani, Willis, Young, T.

Senators Brenner, Chavez, Cirino, Cutrona, Gavarone, Johnson, Landis, Lang, O'Brien, Reineke, Schaffer, Wilkin, Wilson

A BILL

Го	amend sections 155.34, 191.17, 191.21, 3714.07,	1
	and 4928.01 of the Revised Code to increase the	2
	term of the standard oil and gas lease for state	3
	land, to make changes to the Ohio Broadband Pole	4
	Replacement and Undergrounding Program, to	5
	expand the purposes for which money derived from	6
	certain disposal fees on construction and	7
	demolition debris may be used by a board of	8
	health, and to include energy generated by	9
	nuclear reaction as green energy.	10

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

	Sectio	n 1	. Th	at secti	ons 1	L55.	34,	191.	17,	191.	21,	3714.07,	11
and	4928.01	of	the	Revised	Code	be	amer	nded	to	read	as	follows:	12

	1.0				
Sec. 155.34. (A) Not later than one hundred twenty days	13				
after the effective date of this amendment September 30, 2021,	14				
the oil and gas land management commission shall adopt rules in	15				
accordance with Chapter 119. of the Revised Code establishing	16				
both of the following:	17				
(1) A standard lease form that shall be used by a state	18				
agency for leases entered into under this chapter that , is	19				
consistent with the practices of the oil and natural gas	20				
industries, and that contains all of the following:	21				
(a) A prohibition against the use of the surface of the	22				
parcel of land for oil and gas development unless the state	23				
agency, in its sole discretion, chooses to negotiate and execute	24				
a written surface use agreement established under this section;	25				
(b) A one-eighth gross landowner royalty;	26				
(c) A primary term of three five years;	27				
(d) An option for the lessee to extend the primary term of	28				
the lease for an additional three years by tendering to the	29				
state agency the same bonus paid when first entering into the	30				
lease.	31				
(2) Any other procedures necessary to implement sections	32				
155.30 to 155.36 of the Revised Code.	33				
(B) Not later than one hundred and t wenty days after the	34				
effective date of this amendment September 30, 2021, the	35				
commission shall establish a standard surface use agreement that	36				
a state agency shall use to authorize the use of the surface of					
a leased parcel of land.	38				
(C) Section 121.95 of the Revised Code does not apply to	39				
rules adopted under this section and the commission is not	40				

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subject to any requirements of that section.

Sec. 191.17. (A) Not later than sixty days after receiving 42 an application forwarded by the department of development, the 43 broadband expansion program authority shall award program 44 reimbursements to the applicant for costs described in divisions 45 (A) and (B) of section 191.21 of the Revised Code after 46 reviewing the application, and establishing the applicant's 47 eligibility for reimbursement under the Ohio broadband pole 48 replacement and undergrounding program. Except as provided in 49 division (B) of this section, program 50

(B) For pole replacement or mid-span pole installation51costs described under division (A) of section 191.21 of the52Revised Code, reimbursements shall be in an amount equal to the53lesser of seven either of the following:54

(1) Seven thousand five hundred dollars or seventy-five multiplied by the number of pole replacements and mid-span pole installations in an application;

(2) Seventy-five per cent of the total amount paid by the58applicant for each pole replacement or mid-span pole59installationeligible costs therein.60

(B) (C) For undergrounding costs described under division 61 (B) of section 191.21 of the Revised Code, the authority shall 62 approve program reimbursements as provided in division (A) of 63 this sectionshall be in an amount not to exceed seventy-five per_ 64 cent of the total eligible costs therein, except that the 65 reimbursements may not exceed the reimbursement amount that 66 would be available under division $\frac{(A)}{(B)}$ of this section, if the 67 applicant had attached broadband infrastructure to utility poles 68 did a pole replacement or mid-span pole installation instead of 69

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undergrounding that infrastructure.

Sec. 191.21. If the broadband expansion program authority
approves an application under the Ohio broadband pole
replacement and undergrounding program, the following costs are
eligible for reimbursement under the program:

(A) Actual and reasonable costs to perform a pole
replacement or mid-span pole installation, including the amount
of any expenditures to remove and dispose of an existing utility
pole, purchase and install a replacement utility pole, and
transfer any existing facilities to the new pole;

(B) Actual and reasonable undergrounding costs, including
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the costs to dig a trench, perform directional boring, install
conduit, and seal the trench, if the undergrounding is either
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one_of the following:
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(1) Required by law, regulation, or local ordinance;

(2) More economical than the cost of performing a pole replacement:

(3) Needed because the process for obtaining access to87poles is causing, or is reasonably anticipated to cause, a delay88that will impact the ability of the applicant to meet deadlines89required by an agreement or terms of support to provide90qualifying broadband service to an address within an unserved91area.92

(C) (1) Costs of deploying qualifying broadband service for
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which the applicant is entitled to obtain full reimbursement
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from another governmental entity are not eligible for
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reimbursement under the program, except as provided in division
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(C) (2) of this section.

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(2) If an applicant's costs for deploying such service are
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reimbursed in part by a governmental entity, the applicant may
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apply for and obtain reimbursement under the program for the
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portion of the eligible costs for which the applicant was not
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reimbursed.

(D) For applicants that obtain broadband grant funding
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from sources other than reimbursements under the program, the
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authority may require the applicants to maintain accounting
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records sufficient to demonstrate that the other grant funds do
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not fully reimburse the same costs as those reimbursed under the
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program.

Sec. 3714.07. (A)(1) For the purpose of assisting boards 109 of health and the environmental protection agency in 110 administering and enforcing this chapter and rules adopted under 111 it, there is hereby levied a fee of thirty cents per cubic yard 112 or sixty cents per ton, as applicable, on both of the following: 113

(a) The disposal of construction and demolition debris at
a construction and demolition debris facility that is licensed
under this chapter or at a solid waste facility that is licensed
under Chapter 3734. of the Revised Code;

(b) The disposal of asbestos or asbestos-containing
materials or products at a construction and demolition debris
facility that is licensed under this chapter or at a solid waste
facility that is licensed under Chapter 3734. of the Revised
Code.

(2) The owner or operator of a construction and demolition
debris facility or a solid waste facility shall determine if
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cubic yards or tons will be used as the unit of measurement. If
basing the fee on cubic yards, the owner or operator shall
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utilize either the maximum cubic yard capacity of the container, 127 or the hauling volume of the vehicle, that transports the 128 construction and demolition debris to the facility or the cubic 129 yards actually logged for disposal by the owner or operator in 130 accordance with rules adopted under section 3714.02 of the 131 Revised Code. If basing the fee on tonnage, the owner or 132 operator shall use certified scales to determine the tonnage of 133 construction and demolition debris that is disposed of. 134

(3) The owner or operator of a construction and demolition 135 debris facility or a solid waste facility shall calculate the 136 amount of money generated from the fee levied under division (A) 137 (1) of this section and shall hold that amount as a trustee for 138 the health district having jurisdiction over the facility, if 139 that district is on the approved list under section 3714.09 of 140 the Revised Code, or for the state. The owner or operator shall 141 prepare and file with the appropriate board of health or the 142 director of environmental protection monthly returns indicating 143 the total volume or weight, as applicable, of construction and 144 demolition debris and asbestos or asbestos-containing materials 145 or products disposed of at the facility and the total amount of 146 money generated during that month from the fee levied under 147 division (A)(1) of this section on the disposal of construction 148 and demolition debris and asbestos or asbestos-containing 149 materials or products. Not later than thirty days after the last 150 day of the month to which the return applies, the owner or 151 operator shall mail to the board of health or the director the 152 return for that month together with the amount of money 153 calculated under division (A) (3) of this section on the disposal 154 of construction and demolition debris and asbestos or asbestos-155 containing materials or products during that month or may submit 156 the return and money electronically in a manner approved by the 157

director. The owner or operator may request, in writing, an158extension of not more than thirty days after the last day of the159month to which the return applies. A request for extension may160be denied. If the owner or operator submits the money late, the161owner or operator shall pay a penalty of ten per cent of the162amount of the money due for each month that it is late.163

(4) Of the money that is submitted by a construction and 164 demolition debris facility or a solid waste facility on a per 165 cubic yard or per ton basis under this section, a board of 166 health shall transmit three cents per cubic yard or six cents 167 per ton, as applicable, to the director not later than forty-168 five days after the receipt of the money. The money retained by 169 a board of health under this section shall be paid into a 170 special fund, which is hereby created in each health district, 171 and used solely for the following purposes: 172

(a) To administer and enforce this chapter <u>and Chapter</u>
 <u>3734. of the Revised Code</u> and rules adopted under itthem;
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(b) To abate abandoned accumulations of construction and demolition debris as provided in section 3714.074 of the Revised Code<u>;</u>

(c) To mitigate any impacts to public health, safety, and178welfare of any construction and demolition debris facility and179solid waste disposal or transfer facility within the health180district, including ensuring appropriate inspection of any such181facility to prevent any negative public health, safety, and182welfare impact.183

The director shall transmit all money received under this184section to the treasurer of state to be deposited in the state185treasury to the credit of the waste management fund created in186

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section 3734.061 of the Revised Code.

(B) The board of health of a health district or the 188 director may enter into an agreement with the owner or operator 189 of a construction and demolition debris facility or a solid 190 waste facility for the quarterly payment of money generated from 191 the disposal fee as calculated in division (A)(3) of this 192 section. The board of health shall notify the director of any 193 such agreement. Not later than forty-five days after receipt of 194 the quarterly payment, the board of health shall transmit the 195 amount established in division (A) (4) of this section to the 196 director. The money retained by the board of health shall be 197 deposited in the special fund of the district as required under 198 that division. Upon receipt of the money from a board of health, 199 the director shall transmit the money to the treasurer of state 200 to be credited to the waste management fund. 201

(C) If a construction and demolition debris facility or a 202 solid waste facility is located within the territorial 203 boundaries of a municipal corporation or the unincorporated area 204 of a township, the municipal corporation or township may 205 appropriate up to four cents per cubic yard or up to eight cents 206 per ton of the disposal fee required to be paid by the facility 207 under division (A)(1) of this section for the same purposes that 208 a municipal corporation or township may levy a fee under 209 division (C) of section 3734.57 of the Revised Code. 210

The legislative authority of the municipal corporation or 211 township may appropriate the money from the fee by enacting an 212 ordinance or adopting a resolution establishing the amount of 213 the fee to be appropriated. Upon doing so, the legislative 214 authority shall mail a certified copy of the ordinance or 215 resolution to the board of health of the health district in 216

which the construction and demolition debris facility or the 217 solid waste facility is located or, if the facility is located 218 in a health district that is not on the approved list under 219 section 3714.09 of the Revised Code, to the director. Upon 220 receipt of the copy of the ordinance or resolution and not later 221 than forty-five days after receipt of money generated from the 222 fee, the board or the director, as applicable, shall transmit to 223 the treasurer or other appropriate officer of the municipal 224 corporation or clerk of the township that portion of the money 225 generated from the disposal fee by the owner or operator of the 226 facility that is required by the ordinance or resolution to be 227 paid to that municipal corporation or township. 228

Money received by the treasurer or other appropriate officer of a municipal corporation under this division shall be paid into the general fund of the municipal corporation. Money received by the clerk of a township under this division shall be paid into the general fund of the township. The treasurer or other officer of the municipal corporation or the clerk of the township, as appropriate, shall maintain separate records of the money received under this division.

The legislative authority of a municipal corporation or township may cease appropriating money under this division by repealing the ordinance or resolution that was enacted or adopted under this division.

The director shall adopt rules in accordance with Chapter241119. of the Revised Code establishing requirements for prorating242the amount of the fee that may be appropriated under this243division by a municipal corporation or township in which only a244portion of a construction and demolition debris facility is245located within the territorial boundaries of the municipal246

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corporation or township.

(D) The board of county commissioners of a county in which 248 a construction and demolition debris facility or a solid waste 249 facility is located may appropriate up to three cents per cubic 250 yard or up to six cents per ton of the disposal fee required to 251 be paid by the facility under division (A) (1) of this section 252 for the same purposes that a solid waste management district may 253 levy a fee under division (B) of section 3734.57 of the Revised 254 Code. 255

256 The board of county commissioners may appropriate the money from the fee by adopting a resolution establishing the 257 amount of the fee to be appropriated. Upon doing so, the board 258 of county commissioners shall mail a certified copy of the 259 resolution to the board of health of the health district in 260 which the construction and demolition debris facility or the 261 solid waste facility is located or, if the facility is located 262 in a health district that is not on the approved list under 263 section 3714.09 of the Revised Code, to the director. Upon 264 receipt of the copy of the resolution and not later than forty-265 five days after receipt of money generated from the fee, the 266 board of health or the director, as applicable, shall transmit 267 to the treasurer of the county that portion of the money 268 generated from the disposal fee by the owner or operator of the 269 facility that is required by the resolution to be paid to that 270 county. 271

Money received by a county treasurer under this division shall be paid into the general fund of the county. The county 273 treasurer shall maintain separate records of the money received 274 under this division. 275

A board of county commissioners may cease appropriating 276

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adopted under this division. 278 (E) (1) This section does not apply to the disposal of 279 construction and demolition debris at a solid waste facility 280 that is licensed under Chapter 3734. of the Revised Code if 281 there is no construction and demolition debris facility licensed 282 under this chapter within thirty-five miles of the solid waste 283 facility as determined by a facility's property boundaries. 284 285 (2) This section does not apply to the disposal of

construction and demolition debris at a solid waste facility 286 that is licensed under Chapter 3734. of the Revised Code if the 287 owner or operator of the facility chooses to collect fees on the 288 disposal of the construction and demolition debris and asbestos 289 or asbestos-containing materials or products that are identical 290 to the fees that are collected under Chapters 343. and 3734. of 291 the Revised Code on the disposal of solid wastes at that 292 facility. 293

(3) This section does not apply to the disposal of source separated materials that are exclusively composed of reinforced or nonreinforced concrete, asphalt, clay tile, building or paving brick, or building or paving stone at a construction and demolition debris facility that is licensed under this chapter when either of the following applies:

(a) The materials are placed within the limits of
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construction and demolition debris placement at the facility as
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specified in the license issued to the facility under section
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3714.06 of the Revised Code, are not placed within the unloading
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zone of the facility, and are used as a fire prevention measure
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in accordance with rules adopted by the director under section
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3714.02 of the Revised Code.

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(b) The materials are not placed within the unloading zone 307 of the facility or within the limits of construction and 308 demolition debris placement at the facility as specified in the 309 license issued to the facility under section 3714.06 of the 310 Revised Code, but are used as fill material, either alone or in 311 conjunction with clean soil, sand, gravel, or other clean 312 aggregates, in legitimate fill operations for construction 313 purposes at the facility or to bring the facility up to a 314 consistent grade. 315

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

(1) "Ancillary service" means any function necessary to 317 the provision of electric transmission or distribution service 318 to a retail customer and includes, but is not limited to, 319 scheduling, system control, and dispatch services; reactive 320 supply from generation resources and voltage control service; 321 reactive supply from transmission resources service; regulation 322 service; frequency response service; energy imbalance service; 323 operating reserve-spinning reserve service; operating reserve-324 supplemental reserve service; load following; back-up supply 325 service; real-power loss replacement service; dynamic 326 scheduling; system black start capability; and network stability 327 328 service.

(2) "Billing and collection agent" means a fully 329 independent agent, not affiliated with or otherwise controlled 330 by an electric utility, electric services company, electric 331 cooperative, or governmental aggregator subject to certification 332 under section 4928.08 of the Revised Code, to the extent that 333 the agent is under contract with such utility, company, 334 cooperative, or aggregator solely to provide billing and 335 collection for retail electric service on behalf of the utility 336

company, cooperative, or aggregator.

(3) "Certified territory" means the certified territory
as a stablished for an electric supplier under sections 4933.81 to
4933.90 of the Revised Code.
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(4) "Competitive retail electric service" means a
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component of retail electric service that is competitive as
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provided under division (B) of this section.
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(5) "Electric cooperative" means a not-for-profit electric
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light company that both is or has been financed in whole or in
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part under the "Rural Electrification Act of 1936," 49 Stat.
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1363, 7 U.S.C. 901, and owns or operates facilities in this
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state to generate, transmit, or distribute electricity, or a
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not-for-profit successor of such company.

(6) "Electric distribution utility" means an electricutility that supplies at least retail electric distribution351service.

(7) "Electric light company" has the same meaning as in
section 4905.03 of the Revised Code and includes an electric
services company, but excludes any self-generator to the extent
that it consumes electricity it so produces, sells that
electricity for resale, or obtains electricity from a generating
facility it hosts on its premises.

(8) "Electric load center" has the same meaning as in359section 4933.81 of the Revised Code.360

(9) "Electric services company" means an electric light
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company that is engaged on a for-profit or not-for-profit basis
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in the business of supplying or arranging for the supply of only
a competitive retail electric service in this state. "Electric
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services company" includes a power marketer, power broker,

aggregator, or independent power producer but excludes an 366 electric cooperative, municipal electric utility, governmental 367 aggregator, or billing and collection agent. 368

(10) "Electric supplier" has the same meaning as in369section 4933.81 of the Revised Code.370

(11) "Electric utility" means an electric light company 371 that has a certified territory and is engaged on a for-profit 372 basis either in the business of supplying a noncompetitive 373 retail electric service in this state or in the businesses of 374 supplying both a noncompetitive and a competitive retail 375 electric service in this state. "Electric utility" excludes a 376 municipal electric utility or a billing and collection agent. 377

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

(13) "Governmental aggregator" means a legislative 380 authority of a municipal corporation, a board of township 381 trustees, or a board of county commissioners acting as an 382 aggregator for the provision of a competitive retail electric 383 service under authority conferred under section 4928.20 of the 384 Revised Code. 385

(14) A person acts "knowingly," regardless of the person's 386 purpose, when the person is aware that the person's conduct will 387 probably cause a certain result or will probably be of a certain 388 nature. A person has knowledge of circumstances when the person 389 is aware that such circumstances probably exist. 390

(15) "Level of funding for low-income customer energy 391
efficiency programs provided through electric utility rates" 392
means the level of funds specifically included in an electric 393
utility's rates on October 5, 1999, pursuant to an order of the 394

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public utilities commission issued under Chapter 4905. or 4909.395of the Revised Code and in effect on October 4, 1999, for the396purpose of improving the energy efficiency of housing for the397utility's low-income customers. The term excludes the level of398any such funds committed to a specific nonprofit organization or399organizations pursuant to a stipulation or contract.400

(16) "Low-income customer assistance programs" means the
percentage of income payment plan program, the home energy
assistance program, the home weatherization assistance program,
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and the targeted energy efficiency and weatherization program.

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

(18) "Market power" means the ability to impose on
customers a sustained price for a product or service above the
price that would prevail in a competitive market.
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(19) "Mercantile customer" means a commercial or 414 industrial customer if the electricity consumed is for 415 nonresidential use and the customer consumes more than seven 416 hundred thousand kilowatt hours per year or is part of a 417 national account involving multiple facilities in one or more 418 states. 419

(20) "Municipal electric utility" means a municipal
corporation that owns or operates facilities to generate,
transmit, or distribute electricity.
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(21) "Noncompetitive retail electric service" means a 423

component of retail electric service that is noncompetitive as 424 provided under division (B) of this section. 425 (22) "Nonfirm electric service" means electric service 426 provided pursuant to a schedule filed under section 4905.30 of 427 the Revised Code or pursuant to an arrangement under section 428 4905.31 of the Revised Code, which schedule or arrangement 429 includes conditions that may require the customer to curtail or 430 interrupt electric usage during nonemergency circumstances upon 431 notification by an electric utility. 432 433 (23) "Percentage of income payment plan arrears" means funds eligible for collection through the percentage of income 434 payment plan rider, but uncollected as of July 1, 2000. 435 (24) "Person" has the same meaning as in section 1.59 of 436 the Revised Code. 437 (25) "Advanced energy project" means any technologies, 438 products, activities, or management practices or strategies that 439 facilitate the generation or use of electricity or energy and 440 that reduce or support the reduction of energy consumption or 441 support the production of clean, renewable energy for 442 443 industrial, distribution, commercial, institutional, governmental, research, not-for-profit, or residential energy 444 445 users, including, but not limited to, advanced energy resources and renewable energy resources. "Advanced energy project" also 446 includes any project described in division (A), (B), or (C) of 447 section 4928.621 of the Revised Code. 448 (26) "Regulatory assets" means the unamortized net 449

(26) "Regulatory assets" means the unamortized net449regulatory assets that are capitalized or deferred on the450regulatory books of the electric utility, pursuant to an order451or practice of the public utilities commission or pursuant to452

generally accepted accounting principles as a result of a prior 453 commission rate-making decision, and that would otherwise have 454 been charged to expense as incurred or would not have been 455 capitalized or otherwise deferred for future regulatory 456 consideration absent commission action. "Regulatory assets" 4.57 includes, but is not limited to, all deferred demand-side 458 management costs; all deferred percentage of income payment plan 459 arrears; post-in-service capitalized charges and assets 460 recognized in connection with statement of financial accounting 461 standards no. 109 (receivables from customers for income taxes); 462 future nuclear decommissioning costs and fuel disposal costs as 463 those costs have been determined by the commission in the 464 electric utility's most recent rate or accounting application 465 proceeding addressing such costs; the undepreciated costs of 466 safety and radiation control equipment on nuclear generating 467 plants owned or leased by an electric utility; and fuel costs 468 currently deferred pursuant to the terms of one or more 469 settlement agreements approved by the commission. 470

(27) "Retail electric service" means any service involved 471 in supplying or arranging for the supply of electricity to 472 ultimate consumers in this state, from the point of generation 473 to the point of consumption. For the purposes of this chapter, 474 retail electric service includes one or more of the following 475 "service components": generation service, aggregation service, 476 power marketing service, power brokerage service, transmission 477 service, distribution service, ancillary service, metering 478 service, and billing and collection service. 479

(28) "Starting date of competitive retail electric480service" means January 1, 2001.481

(29) "Customer-generator" means a user of a net metering

system.

483 (30) "Net metering" means measuring the difference in an 484 applicable billing period between the electricity supplied by an 485 electric service provider and the electricity generated by a 486 customer-generator that is fed back to the electric service 487 488 provider. (31) "Net metering system" means a facility for the 489 production of electrical energy that does all of the following: 490 (a) Uses as its fuel either solar, wind, biomass, landfill 491 gas, or hydropower, or uses a microturbine or a fuel cell; 492 (b) Is located on a customer-generator's premises; 493 (c) Operates in parallel with the electric utility's 494 transmission and distribution facilities; 495 (d) Is intended primarily to offset part or all of the 496 customer-generator's requirements for electricity. For an 497 industrial customer-generator with a net metering system that 498

has a capacity of less than twenty megawatts and uses wind as 499 energy, this means the net metering system was sized so as to 500 not exceed one hundred per cent of the customer-generator's 501 502 annual requirements for electric energy at the time of 503 interconnection.

(32) "Self-generator" means an entity in this state that 504 owns or hosts on its premises an electric generation facility 505 that produces electricity primarily for the owner's consumption 506 and that may provide any such excess electricity to another 507 entity, whether the facility is installed or operated by the 508 owner or by an agent under a contract. 509

(33) "Rate plan" means the standard service offer in 510

effect on the effective date of the amendment of this section by 511 S.B. 221 of the 127th general assembly, July 31, 2008. 512 (34) "Advanced energy resource" means any of the 513 following: 514 (a) Any method or any modification or replacement of any 515 property, process, device, structure, or equipment that 516 increases the generation output of an electric generating 517 facility to the extent such efficiency is achieved without 518 additional carbon dioxide emissions by that facility; 519 (b) Any distributed generation system consisting of 520 521 customer cogeneration technology; (c) Clean coal technology that includes a carbon-based 522 product that is chemically altered before combustion to 523 demonstrate a reduction, as expressed as ash, in emissions of 524 nitrous oxide, mercury, arsenic, chlorine, sulfur dioxide, or 525 sulfur trioxide in accordance with the American society of 526 testing and materials standard D1757A or a reduction of metal 527 oxide emissions in accordance with standard D5142 of that 528 society, or clean coal technology that includes the design 529 capability to control or prevent the emission of carbon dioxide, 530 which design capability the commission shall adopt by rule and 531 shall be based on economically feasible best available 532 technology or, in the absence of a determined best available 533 technology, shall be of the highest level of economically 534 feasible design capability for which there exists generally 535 accepted scientific opinion; 536

(d) Advanced nuclear energy technology consisting of
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 generation III technology as defined by the nuclear regulatory
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 commission; other, later technology; or significant improvements
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to existing facilities;

(e) Any fuel cell used in the generation of electricity, including, but not limited to, a proton exchange membrane fuel cell, phosphoric acid fuel cell, molten carbonate fuel cell, or solid oxide fuel cell;

(f) Advanced solid waste or construction and demolition 545 debris conversion technology, including, but not limited to, 546 advanced stoker technology, and advanced fluidized bed 547 gasification technology, that results in measurable greenhouse 548 gas emissions reductions as calculated pursuant to the United 549 States environmental protection agency's waste reduction model 550 (WARM); 551

(g) Demand-side management and any energy efficiency improvement;

(h) Any new, retrofitted, refueled, or repowered
generating facility located in Ohio, including a simple or
combined-cycle natural gas generating facility or a generating
facility that uses biomass, coal, modular nuclear, or any other
fuel as its input;

(i) Any uprated capacity of an existing electric
 generating facility if the uprated capacity results from the
 deployment of advanced technology.
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"Advanced energy resource" does not include a waste energy 562 recovery system that is, or has been, included in an energy 563 efficiency program of an electric distribution utility pursuant 564 to requirements under section 4928.66 of the Revised Code. 565

(35) "Air contaminant source" has the same meaning as in566section 3704.01 of the Revised Code.567

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(36) "Cogeneration technology" means technology that	568
produces electricity and useful thermal output simultaneously.	569
(37)(a) "Renewable energy resource" means any of the	570
following:	571
(i) Solar photovoltaic or solar thermal energy;	572
(ii) Wind energy;	573
(iii) Power produced by a hydroelectric facility;	574
(iv) Power produced by a small hydroelectric facility,	575
which is a facility that operates, or is rated to operate, at an	576
aggregate capacity of less than six megawatts;	577
(v) Power produced by a run-of-the-river hydroelectric	578
facility placed in service on or after January 1, 1980, that is	579
located within this state, relies upon the Ohio river, and	580
operates, or is rated to operate, at an aggregate capacity of	581
forty or more megawatts;	582
(vi) Geothermal energy;	583
(vii) Fuel derived from solid wastes, as defined in	584
section 3734.01 of the Revised Code, through fractionation,	585
biological decomposition, or other process that does not	586
principally involve combustion;	587
(viii) Biomass energy;	588
(ix) Energy produced by cogeneration technology that is	589
placed into service on or before December 31, 2015, and for	590
which more than ninety per cent of the total annual energy input	591
is from combustion of a waste or byproduct gas from an air	592
contaminant source in this state, which source has been in	593
operation since on or before January 1, 1985, provided that the	594

cogeneration technology is a part of a facility located in a595county having a population of more than three hundred sixty-five596thousand but less than three hundred seventy thousand according597to the most recent federal decennial census;598

(x) Biologically derived methane gas;

(xi) Heat captured from a generator of electricity,boiler, or heat exchanger fueled by biologically derived methane601gas;602

(xii) Energy derived from nontreated by-products of the
pulping process or wood manufacturing process, including bark,
wood chips, sawdust, and lignin in spent pulping liquors.
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"Renewable energy resource" includes, but is not limited 606 to, any fuel cell used in the generation of electricity, 607 including, but not limited to, a proton exchange membrane fuel 608 cell, phosphoric acid fuel cell, molten carbonate fuel cell, or 609 solid oxide fuel cell; wind turbine located in the state's 610 territorial waters of Lake Erie; methane gas emitted from an 611 abandoned coal mine; waste energy recovery system placed into 612 service or retrofitted on or after the effective date of the 613 amendment of this section by S.B. 315 of the 129th general 614 assembly, September 10, 2012, except that a waste energy 615 recovery system described in division (A) (38) (b) of this section 616 may be included only if it was placed into service between 617 January 1, 2002, and December 31, 2004; storage facility that 618 will promote the better utilization of a renewable energy 619 resource; or distributed generation system used by a customer to 620 generate electricity from any such energy. 621

"Renewable energy resource" does not include a waste 622 energy recovery system that is, or was, on or after January 1, 623

U.S.C. 1313.

2012, included in an energy efficiency program of an electric 624 distribution utility pursuant to requirements under section 625 4928.66 of the Revised Code. 626 (b) As used in division (A) (37) of this section, 627 "hydroelectric facility" means a hydroelectric generating 628 facility that is located at a dam on a river, or on any water 629 discharged to a river, that is within or bordering this state or 630 within or bordering an adjoining state and meets all of the 631 following standards: 632 (i) The facility provides for river flows that are not 633 detrimental for fish, wildlife, and water quality, including 634 seasonal flow fluctuations as defined by the applicable 635 licensing agency for the facility. 636 (ii) The facility demonstrates that it complies with the 637 water quality standards of this state, which compliance may 638 consist of certification under Section 401 of the "Clean Water 639 Act of 1977," 91 Stat. 1598, 1599, 33 U.S.C. 1341, and 640 demonstrates that it has not contributed to a finding by this 641 state that the river has impaired water quality under Section 642 303(d) of the "Clean Water Act of 1977," 114 Stat. 870, 33 643

(iii) The facility complies with mandatory prescriptions
regarding fish passage as required by the federal energy
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regulatory commission license issued for the project, regarding
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fish protection for riverine, anadromous, and catadromous fish.
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(iv) The facility complies with the recommendations of the
Ohio environmental protection agency and with the terms of its
federal energy regulatory commission license regarding watershed
protection, mitigation, or enhancement, to the extent of each
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agency's respective jurisdiction over the facility.

(v) The facility complies with provisions of the
"Endangered Species Act of 1973," 87 Stat. 884, 16 U.S.C. 1531
to 1544, as amended.

(vi) The facility does not harm cultural resources of the
area. This can be shown through compliance with the terms of its
federal energy regulatory commission license or, if the facility
is not regulated by that commission, through development of a
plan approved by the Ohio historic preservation office, to the
extent it has jurisdiction over the facility.

663 (vii) The facility complies with the terms of its federal energy regulatory commission license or exemption that are 664 related to recreational access, accommodation, and facilities 665 or, if the facility is not regulated by that commission, the 666 facility complies with similar requirements as are recommended 667 by resource agencies, to the extent they have jurisdiction over 668 the facility; and the facility provides access to water to the 669 public without fee or charge. 670

(viii) The facility is not recommended for removal by any
federal agency or agency of any state, to the extent the
particular agency has jurisdiction over the facility.

(c) The standards in divisions (A) (37) (b) (i) to (viii) of
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this section do not apply to a small hydroelectric facility
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under division (A) (37) (a) (iv) of this section.
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(38) "Waste energy recovery system" means either of the
following:
(a) A facility that generates electricity through the
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conversion of energy from either of the following:

Page 24

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(i) Exhaust heat from engines or manufacturing,
industrial, commercial, or institutional sites, except for
exhaust heat from a facility whose primary purpose is the
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generation of electricity;
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(ii) Reduction of pressure in gas pipelines before gas is
distributed through the pipeline, provided that the conversion
of energy to electricity is achieved without using additional
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fossil fuels.

(b) A facility at a state institution of higher education
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as defined in section 3345.011 of the Revised Code that recovers
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waste heat from electricity-producing engines or combustion
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turbines and that simultaneously uses the recovered heat to
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produce steam, provided that the facility was placed into
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service between January 1, 2002, and December 31, 2004.

(39) "Smart grid" means capital improvements to an electric distribution utility's distribution infrastructure that improve reliability, efficiency, resiliency, or reduce energy demand or use, including, but not limited to, advanced metering and automation of system functions.

(40) "Combined heat and power system" means the
coproduction of electricity and useful thermal energy from the
same fuel source designed to achieve thermal-efficiency levels
of at least sixty per cent, with at least twenty per cent of the
system's total useful energy in the form of thermal energy.

(41) "Legacy generation resource" means all generating
facilities owned directly or indirectly by a corporation that
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was formed prior to 1960 by investor-owned utilities for the
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original purpose of providing power to the federal government
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for use in the nation's defense or in furtherance of national

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(42) "Prudently incurred costs related to a legacy 711 generation resource" means costs, including deferred costs, 712 allocated pursuant to a power agreement approved by the federal 713 energy regulatory commission that relates to a legacy generation 714 resource, less any revenues realized from offering the 715 contractual commitment for the power agreement into the 716 wholesale markets, provided that where the net revenues exceed 717 net costs, those excess revenues shall be credited to customers. 718 Such costs shall exclude any return on investment in common 719 720 equity and, in the event of a premature retirement of a legacy generation resource, shall exclude any recovery of remaining 721 debt. Such costs shall include any incremental costs resulting 722 from the bankruptcy of a current or former sponsor under such 723 power agreement or co-owner of the legacy generation resource if 724 not otherwise recovered through a utility rate cost recovery 725 mechanism. 726

interests, including the Ohio valley electric corporation.

(43)(43)(a)"Green energy" means any energy generated by727using an energy resource that does one or more of the following:728

(a) (i)Releases reduced air pollutants, thereby reducing729cumulative air emissions;730

(b) (ii) Is more sustainable and reliable relative to some731fossil fuels.732

(b) "Green energy" includes energy generated by using 733 natural gas the followingas a resource: 734

<u>(i) Natural gas as a resource;</u>

(ii) Nuclear reaction. 736

(B) For the purposes of this chapter, a retail electric 737

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service component shall be deemed a competitive retail electric 738 service if the service component is competitive pursuant to a 739 declaration by a provision of the Revised Code or pursuant to an 740 order of the public utilities commission authorized under 741 division (A) of section 4928.04 of the Revised Code. Otherwise, 742 the service component shall be deemed a noncompetitive retail 743 electric service. 744

Sect	ion 2	. That	existing	sections 2	155.34,	191.17,	191.21,	745
3714.07, a	and 49	28.01	of the Re	vised Code	are he	reby rep	ealed.	746