

**As Introduced**

**135th General Assembly  
Regular Session  
2023-2024**

**S. B. No. 247**

**Senator Lang**

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**A BILL**

To amend sections 4928.01 and 4928.02 and to enact  
sections 1.66, 4934.01, 4934.011, 4934.04,  
4934.05, 4934.06, 4934.07, 4934.071, 4934.072,  
4934.08, 4934.09, 4934.10, 4934.11, 4934.12,  
4934.13, 4934.14, 4934.15, 4934.16, 4934.17,  
4934.24, 4934.25, 4934.26, and 4934.27 of the  
Revised Code to establish the community solar  
pilot program.

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

**Section 1.** That sections 4928.01 and 4928.02 be amended  
and sections 1.66, 4934.01, 4934.011, 4934.04, 4934.05, 4934.06,  
4934.07, 4934.071, 4934.072, 4934.08, 4934.09, 4934.10, 4934.11,  
4934.12, 4934.13, 4934.14, 4934.15, 4934.16, 4934.17, 4934.24,  
4934.25, 4934.26, and 4934.27 of the Revised Code be enacted to  
read as follows:

**Sec. 1.66.** As used in the Revised Code, unless the  
context requires otherwise, all measures of electricity  
described in watts, kilowatts, megawatts, or any derivative  
thereof means such electricity expressed in alternating current.

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

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

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

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

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

(5) "Electric cooperative" means a not-for-profit electric light company that both is or has been financed in whole or in part under the "Rural Electrification Act of 1936," 49 Stat.

1363, 7 U.S.C. 901, and owns or operates facilities in this 50  
state to generate, transmit, or distribute electricity, or a 51  
not-for-profit successor of such company. 52

(6) "Electric distribution utility" means an electric 53  
utility that supplies at least retail electric distribution 54  
service. 55

(7) "Electric light company" has the same meaning as in 56  
section 4905.03 of the Revised Code and includes an electric 57  
services company, but excludes any self-generator to the extent 58  
that it consumes electricity it so produces, sells that 59  
electricity for resale, or obtains electricity from a generating 60  
facility it hosts on its premises. 61

(8) "Electric load center" has the same meaning as in 62  
section 4933.81 of the Revised Code. 63

(9) "Electric services company" means an electric light 64  
company that is engaged on a for-profit or not-for-profit basis 65  
in the business of supplying or arranging for the supply of only 66  
a competitive retail electric service in this state. "Electric 67  
services company" includes a power marketer, power broker, 68  
aggregator, or independent power producer but excludes an 69  
electric cooperative, municipal electric utility, governmental 70  
aggregator, or billing and collection agent. 71

(10) "Electric supplier" has the same meaning as in 72  
section 4933.81 of the Revised Code. 73

(11) "Electric utility" means an electric light company 74  
that has a certified territory and is engaged on a for-profit 75  
basis either in the business of supplying a noncompetitive 76  
retail electric service in this state or in the businesses of 77  
supplying both a noncompetitive and a competitive retail 78

electric service in this state. "Electric utility" excludes a 79  
municipal electric utility or a billing and collection agent. 80

(12) "Firm electric service" means electric service other 81  
than nonfirm electric service. 82

(13) "Governmental aggregator" means a legislative 83  
authority of a municipal corporation, a board of township 84  
trustees, or a board of county commissioners acting as an 85  
aggregator for the provision of a competitive retail electric 86  
service under authority conferred under section 4928.20 of the 87  
Revised Code. 88

(14) A person acts "knowingly," regardless of the person's 89  
purpose, when the person is aware that the person's conduct will 90  
probably cause a certain result or will probably be of a certain 91  
nature. A person has knowledge of circumstances when the person 92  
is aware that such circumstances probably exist. 93

(15) "Level of funding for low-income customer energy 94  
efficiency programs provided through electric utility rates" 95  
means the level of funds specifically included in an electric 96  
utility's rates on October 5, 1999, pursuant to an order of the 97  
public utilities commission issued under Chapter 4905. or 4909. 98  
of the Revised Code and in effect on October 4, 1999, for the 99  
purpose of improving the energy efficiency of housing for the 100  
utility's low-income customers. The term excludes the level of 101  
any such funds committed to a specific nonprofit organization or 102  
organizations pursuant to a stipulation or contract. 103

(16) "Low-income customer assistance programs" means the 104  
percentage of income payment plan program, the home energy 105  
assistance program, the home weatherization assistance program, 106  
and the targeted energy efficiency and weatherization program. 107

(17) "Market development period" for an electric utility	108
means the period of time beginning on the starting date of	109
competitive retail electric service and ending on the applicable	110
date for that utility as specified in section 4928.40 of the	111
Revised Code, irrespective of whether the utility applies to	112
receive transition revenues under this chapter.	113
(18) "Market power" means the ability to impose on	114
customers a sustained price for a product or service above the	115
price that would prevail in a competitive market.	116
(19) "Mercantile customer" means a commercial or	117
industrial customer if the electricity consumed is for	118
nonresidential use and the customer consumes more than seven	119
hundred thousand kilowatt hours per year or is part of a	120
national account involving multiple facilities in one or more	121
states.	122
(20) "Municipal electric utility" means a municipal	123
corporation that owns or operates facilities to generate,	124
transmit, or distribute electricity.	125
(21) "Noncompetitive retail electric service" means a	126
component of retail electric service that is noncompetitive as	127
provided under division (B) of this section.	128
(22) "Nonfirm electric service" means electric service	129
provided pursuant to a schedule filed under section 4905.30 of	130
the Revised Code or pursuant to an arrangement under section	131
4905.31 of the Revised Code, which schedule or arrangement	132
includes conditions that may require the customer to curtail or	133
interrupt electric usage during nonemergency circumstances upon	134
notification by an electric utility.	135
(23) "Percentage of income payment plan arrears" means	136

funds eligible for collection through the percentage of income	137
payment plan rider, but uncollected as of July 1, 2000.	138
(24) "Person" has the same meaning as in section 1.59 of	139
the Revised Code.	140
(25) "Advanced energy project" means any technologies,	141
products, activities, or management practices or strategies that	142
facilitate the generation or use of electricity or energy and	143
that reduce or support the reduction of energy consumption or	144
support the production of clean, renewable energy for	145
industrial, distribution, commercial, institutional,	146
governmental, research, not-for-profit, or residential energy	147
users, including, but not limited to, advanced energy resources	148
and renewable energy resources. "Advanced energy project" also	149
includes any project described in division (A), (B), or (C) of	150
section 4928.621 of the Revised Code.	151
(26) "Regulatory assets" means the unamortized net	152
regulatory assets that are capitalized or deferred on the	153
regulatory books of the electric utility, pursuant to an order	154
or practice of the public utilities commission or pursuant to	155
generally accepted accounting principles as a result of a prior	156
commission rate-making decision, and that would otherwise have	157
been charged to expense as incurred or would not have been	158
capitalized or otherwise deferred for future regulatory	159
consideration absent commission action. "Regulatory assets"	160
includes, but is not limited to, all deferred demand-side	161
management costs; all deferred percentage of income payment plan	162
arrears; post-in-service capitalized charges and assets	163
recognized in connection with statement of financial accounting	164
standards no. 109 (receivables from customers for income taxes);	165
future nuclear decommissioning costs and fuel disposal costs as	166

those costs have been determined by the commission in the 167  
electric utility's most recent rate or accounting application 168  
proceeding addressing such costs; the undepreciated costs of 169  
safety and radiation control equipment on nuclear generating 170  
plants owned or leased by an electric utility; and fuel costs 171  
currently deferred pursuant to the terms of one or more 172  
settlement agreements approved by the commission. 173

(27) "Retail electric service" means any service involved 174  
in supplying or arranging for the supply of electricity to 175  
ultimate consumers in this state, from the point of generation 176  
to the point of consumption. For the purposes of this chapter, 177  
retail electric service includes one or more of the following 178  
"service components": generation service, aggregation service, 179  
power marketing service, power brokerage service, transmission 180  
service, distribution service, ancillary service, metering 181  
service, and billing and collection service. 182

(28) "Starting date of competitive retail electric 183  
service" means January 1, 2001. 184

(29) "Customer-generator" means a user of a net metering 185  
system. 186

(30) "Net metering" means measuring the difference in an 187  
applicable billing period between the electricity supplied by an 188  
electric service provider and the electricity generated by a 189  
customer-generator that is fed back to the electric service 190  
provider. 191

(31) "Net metering system" means a facility for the 192  
production of electrical energy that does all of the following: 193

(a) Uses as its fuel either solar, wind, biomass, landfill 194  
gas, or hydropower, or uses a microturbine or a fuel cell; 195

(b) Is located on a customer-generator's premises;	196
(c) Operates in parallel with the electric utility's transmission and distribution facilities;	197 198
(d) Is intended primarily to offset part or all of the customer-generator's requirements for electricity. For an industrial customer-generator with a net metering system that has a capacity of less than twenty megawatts and uses wind as energy, this means the net metering system was sized so as to not exceed one hundred per cent of the customer-generator's annual requirements for electric energy at the time of interconnection.	199 200 201 202 203 204 205 206
(32) "Self-generator" means an entity in this state that owns or hosts on its premises an electric generation facility that produces electricity primarily for the owner's consumption and that may provide any such excess electricity to another entity, whether the facility is installed or operated by the owner or by an agent under a contract.	207 208 209 210 211 212
(33) "Rate plan" means the standard service offer in effect on the effective date of the amendment of this section by S.B. 221 of the 127th general assembly, July 31, 2008.	213 214 215
(34) "Advanced energy resource" means any of the following:	216 217
(a) Any method or any modification or replacement of any property, process, device, structure, or equipment that increases the generation output of an electric generating facility to the extent such efficiency is achieved without additional carbon dioxide emissions by that facility;	218 219 220 221 222
(b) Any distributed generation system consisting of customer cogeneration technology;	223 224



(c) Clean coal technology that includes a carbon-based	225
product that is chemically altered before combustion to	226
demonstrate a reduction, as expressed as ash, in emissions of	227
nitrous oxide, mercury, arsenic, chlorine, sulfur dioxide, or	228
sulfur trioxide in accordance with the American society of	229
testing and materials standard D1757A or a reduction of metal	230
oxide emissions in accordance with standard D5142 of that	231
society, or clean coal technology that includes the design	232
capability to control or prevent the emission of carbon dioxide,	233
which design capability the commission shall adopt by rule and	234
shall be based on economically feasible best available	235
technology or, in the absence of a determined best available	236
technology, shall be of the highest level of economically	237
feasible design capability for which there exists generally	238
accepted scientific opinion;	239
(d) Advanced nuclear energy technology consisting of	240
generation III technology as defined by the nuclear regulatory	241
commission; other, later technology; or significant improvements	242
to existing facilities;	243
(e) Any fuel cell used in the generation of electricity,	244
including, but not limited to, a proton exchange membrane fuel	245
cell, phosphoric acid fuel cell, molten carbonate fuel cell, or	246
solid oxide fuel cell;	247
(f) Advanced solid waste or construction and demolition	248
debris conversion technology, including, but not limited to,	249
advanced stoker technology, and advanced fluidized bed	250
gasification technology, that results in measurable greenhouse	251
gas emissions reductions as calculated pursuant to the United	252
States environmental protection agency's waste reduction model	253
(WARM);	254

(g) Demand-side management and any energy efficiency improvement;	255 256
(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;	257 258 259 260 261
(i) Any uprated capacity of an existing electric generating facility if the uprated capacity results from the deployment of advanced technology.	262 263 264
"Advanced energy resource" does not include a waste energy recovery system that is, or has been, included in an energy efficiency program of an electric distribution utility pursuant to requirements under section 4928.66 of the Revised Code.	265 266 267 268
(35) "Air contaminant source" has the same meaning as in section 3704.01 of the Revised Code.	269 270
(36) "Cogeneration technology" means technology that produces electricity and useful thermal output simultaneously.	271 272
(37) (a) "Renewable energy resource" means any of the following:	273 274
(i) Solar photovoltaic or solar thermal energy;	275
(ii) Wind energy;	276
(iii) Power produced by a hydroelectric facility;	277
(iv) Power produced by a small hydroelectric facility, which is a facility that operates, or is rated to operate, at an aggregate capacity of less than six megawatts;	278 279 280
(v) Power produced by a run-of-the-river hydroelectric	281

facility placed in service on or after January 1, 1980, that is	282
located within this state, relies upon the Ohio river, and	283
operates, or is rated to operate, at an aggregate capacity of	284
forty or more megawatts;	285
(vi) Geothermal energy;	286
(vii) Fuel derived from solid wastes, as defined in	287
section 3734.01 of the Revised Code, through fractionation,	288
biological decomposition, or other process that does not	289
principally involve combustion;	290
(viii) Biomass energy;	291
(ix) Energy produced by cogeneration technology that is	292
placed into service on or before December 31, 2015, and for	293
which more than ninety per cent of the total annual energy input	294
is from combustion of a waste or byproduct gas from an air	295
contaminant source in this state, which source has been in	296
operation since on or before January 1, 1985, provided that the	297
cogeneration technology is a part of a facility located in a	298
county having a population of more than three hundred sixty-five	299
thousand but less than three hundred seventy thousand according	300
to the most recent federal decennial census;	301
(x) Biologically derived methane gas;	302
(xi) Heat captured from a generator of electricity,	303
boiler, or heat exchanger fueled by biologically derived methane	304
gas;	305
(xii) Energy derived from nontreated by-products of the	306
pulping process or wood manufacturing process, including bark,	307
wood chips, sawdust, and lignin in spent pulping liquors.	308
"Renewable energy resource" includes, but is not limited	309

to, any fuel cell used in the generation of electricity, 310  
including, but not limited to, a proton exchange membrane fuel 311  
cell, phosphoric acid fuel cell, molten carbonate fuel cell, or 312  
solid oxide fuel cell; wind turbine located in the state's 313  
territorial waters of Lake Erie; methane gas emitted from an 314  
abandoned coal mine; waste energy recovery system placed into 315  
service or retrofitted on or after the effective date of the 316  
amendment of this section by S.B. 315 of the 129th general 317  
assembly, September 10, 2012, except that a waste energy 318  
recovery system described in division (A) (38) (b) of this section 319  
may be included only if it was placed into service between 320  
January 1, 2002, and December 31, 2004; storage facility that 321  
will promote the better utilization of a renewable energy 322  
resource; or distributed generation system used by a customer to 323  
generate electricity from any such energy. 324

"Renewable energy resource" does not include a waste 325  
energy recovery system that is, or was, on or after January 1, 326  
2012, included in an energy efficiency program of an electric 327  
distribution utility pursuant to requirements under section 328  
4928.66 of the Revised Code. 329

(b) As used in division (A) (37) of this section, 330  
"hydroelectric facility" means a hydroelectric generating 331  
facility that is located at a dam on a river, or on any water 332  
discharged to a river, that is within or bordering this state or 333  
within or bordering an adjoining state and meets all of the 334  
following standards: 335

(i) The facility provides for river flows that are not 336  
detrimental for fish, wildlife, and water quality, including 337  
seasonal flow fluctuations as defined by the applicable 338  
licensing agency for the facility. 339

(ii) The facility demonstrates that it complies with the water quality standards of this state, which compliance may consist of certification under Section 401 of the "Clean Water Act of 1977," 91 Stat. 1598, 1599, 33 U.S.C. 1341, and demonstrates that it has not contributed to a finding by this state that the river has impaired water quality under Section 303(d) of the "Clean Water Act of 1977," 114 Stat. 870, 33 U.S.C. 1313.

(iii) The facility complies with mandatory prescriptions regarding fish passage as required by the federal energy regulatory commission license issued for the project, regarding fish protection for riverine, anadromous, and catadromous fish.

(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 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.

(vii) The facility complies with the terms of its federal energy regulatory commission license or exemption that are related to recreational access, accommodation, and facilities

or, if the facility is not regulated by that commission, the 369  
facility complies with similar requirements as are recommended 370  
by resource agencies, to the extent they have jurisdiction over 371  
the facility; and the facility provides access to water to the 372  
public without fee or charge. 373

(viii) The facility is not recommended for removal by any 374  
federal agency or agency of any state, to the extent the 375  
particular agency has jurisdiction over the facility. 376

(c) The standards in divisions (A) (37) (b) (i) to (viii) of 377  
this section do not apply to a small hydroelectric facility 378  
under division (A) (37) (a) (iv) of this section. 379

(38) "Waste energy recovery system" means either of the 380  
following: 381

(a) A facility that generates electricity through the 382  
conversion of energy from either of the following: 383

(i) Exhaust heat from engines or manufacturing, 384  
industrial, commercial, or institutional sites, except for 385  
exhaust heat from a facility whose primary purpose is the 386  
generation of electricity; 387

(ii) Reduction of pressure in gas pipelines before gas is 388  
distributed through the pipeline, provided that the conversion 389  
of energy to electricity is achieved without using additional 390  
fossil fuels. 391

(b) A facility at a state institution of higher education 392  
as defined in section 3345.011 of the Revised Code that recovers 393  
waste heat from electricity-producing engines or combustion 394  
turbines and that simultaneously uses the recovered heat to 395  
produce steam, provided that the facility was placed into 396  
service between January 1, 2002, and December 31, 2004. 397

(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 was formed prior to 1960 by investor-owned utilities for the original purpose of providing power to the federal government for use in the nation's defense or in furtherance of national interests, including the Ohio valley electric corporation.

(42) "Prudently incurred costs related to a legacy generation resource" means costs, including deferred costs, allocated pursuant to a power agreement approved by the federal energy regulatory commission that relates to a legacy generation resource, less any revenues realized from offering the contractual commitment for the power agreement into the wholesale markets, provided that where the net revenues exceed net costs, those excess revenues shall be credited to customers. Such costs shall exclude any return on investment in common equity and, in the event of a premature retirement of a legacy generation resource, shall exclude any recovery of remaining debt. Such costs shall include any incremental costs resulting from the bankruptcy of a current or former sponsor under such power agreement or co-owner of the legacy generation resource if

not otherwise recovered through a utility rate cost recovery 428  
mechanism. 429

(43) "Green energy" means any energy generated by using an 430  
energy resource that does one or more of the following: 431

(a) Releases reduced air pollutants, thereby reducing 432  
cumulative air emissions; 433

(b) Is more sustainable and reliable relative to some 434  
fossil fuels. 435

"Green energy" includes energy generated by using natural 436  
gas as a resource. 437

(44) "Energy storage" means electrical generation and 438  
storage performed by a distributed energy system connected 439  
battery. 440

(B) For the purposes of this chapter, a retail electric 441  
service component shall be deemed a competitive retail electric 442  
service if the service component is competitive pursuant to a 443  
declaration by a provision of the Revised Code or pursuant to an 444  
order of the public utilities commission authorized under 445  
division (A) of section 4928.04 of the Revised Code. Otherwise, 446  
the service component shall be deemed a noncompetitive retail 447  
electric service. 448

**Sec. 4928.02.** It is the policy of this state to do the 449  
following throughout this state: 450

(A) Ensure the availability to consumers of adequate, 451  
reliable, safe, efficient, nondiscriminatory, and reasonably 452  
priced retail electric service; 453

(B) Ensure the availability of unbundled and comparable 454  
retail electric service that provides consumers with the 455



supplier, price, terms, conditions, and quality options they 456  
elect to meet their respective needs; 457

(C) Ensure diversity of electricity supplies and 458  
suppliers, by giving consumers effective choices over the 459  
selection of those supplies and suppliers and by encouraging the 460  
development of distributed and small generation facilities; 461

(D) Encourage innovation and market access for cost- 462  
effective supply- and demand-side retail electric service 463  
including, but not limited to, demand-side management, time- 464  
differentiated pricing, waste energy recovery systems, smart 465  
grid programs, and implementation of advanced metering 466  
infrastructure; 467

(E) Encourage cost-effective and efficient access to 468  
information regarding the operation of the transmission and 469  
distribution systems of electric utilities in order to promote 470  
both effective customer choice of retail electric service and 471  
the development of performance standards and targets for service 472  
quality for all consumers, including annual achievement reports 473  
written in plain language; 474

(F) Ensure that an electric utility's transmission and 475  
distribution systems are available to a customer-generator or 476  
owner of distributed generation, so that the customer-generator 477  
or owner can market and deliver the electricity it produces; 478

(G) Recognize the continuing emergence of competitive 479  
electricity markets through the development and implementation 480  
of flexible regulatory treatment; 481

(H) Ensure effective competition in the provision of 482  
retail electric service by avoiding anticompetitive subsidies 483  
flowing from a noncompetitive retail electric service to a 484

competitive retail electric service or to a product or service 485  
other than retail electric service, and vice versa, including by 486  
prohibiting the recovery of any generation-related costs through 487  
distribution or transmission rates; 488

(I) Ensure retail electric service consumers protection 489  
against unreasonable sales practices, market deficiencies, and 490  
market power; 491

(J) Provide coherent, transparent means of giving 492  
appropriate incentives to technologies that can adapt 493  
successfully to potential environmental mandates; 494

(K) Encourage implementation of distributed generation 495  
across customer classes through regular review and updating of 496  
administrative rules governing critical issues such as, but not 497  
limited to, interconnection standards, standby charges, and net 498  
metering; 499

(L) Protect at-risk populations, including, but not 500  
limited to, when considering the implementation of any new 501  
advanced energy or renewable energy resource; 502

(M) Encourage the education of small business owners in 503  
this state regarding the use of, and encourage the use of, 504  
energy efficiency programs and alternative energy resources in 505  
their businesses; 506

(N) Facilitate the state's effectiveness in the global 507  
economy. 508

(O) Encourage cost-effective, timely, and efficient access 509  
to and sharing of customer usage data with customers and 510  
competitive suppliers to promote customer choice and grid 511  
modernization. 512

(P) Ensure that a customer's data is provided in a 513  
standard format and provided to third parties in as close to 514  
real time as is economically justifiable in order to spur 515  
economic investment and improve the energy options of individual 516  
customers. 517

(Q) Encourage the development of community solar 518  
facilities, as defined in section 4934.01 of the Revised Code, 519  
for the benefit of customers in this state and to facilitate 520  
participation by customers with the facilities. 521

(R) Establish a community solar pilot program, pursuant to 522  
sections 4934.04 to 4934.17 of the Revised Code. 523

(S) Establish program evaluations and consumer protections 524  
ensuring community solar subscribers are effectively and 525  
equitably receiving guaranteed savings, as defined in section 526  
4934.01 of the Revised Code, from participating in the community 527  
solar pilot program. 528

In carrying out this policy, the commission shall consider 529  
rules as they apply to the costs of electric distribution 530  
infrastructure, including, but not limited to, line extensions, 531  
for the purpose of development in this state. 532

**Sec. 4934.01. As used in this chapter: 533**

(A) "Bill credit" means the monetary value approved or 534  
revised under section 4934.08 or 4934.09 of the Revised Code by 535  
the public utilities commission for each kilowatt hour of 536  
electricity generated by a community solar facility and 537  
allocated to a subscriber's monthly electric bill to offset any 538  
part of the subscriber's electric bill. 539

(B) "Certified territory," "electric distribution 540  
utility," and "retail electric service" have the same meanings 541

as in section 4928.01 of the Revised Code. 542

(C) "Community solar facility" means a single facility 543  
that generates electricity by means of a solar photovoltaic 544  
device and meets all of the following requirements: 545

(1) The facility is located in this state and is directly 546  
connected to an electric distribution utility's distribution 547  
system. 548

(2) The facility has at least three subscribers. 549

(3) The facility is located on one parcel of land and, 550  
except as provided in section 4934.011 of the Revised Code, 551  
there is no community solar facility or solar field on the same 552  
or a contiguous parcel that is developed, owned, or operated by 553  
the same entity, affiliated entity, or entity under common 554  
control. 555

(4) No subscriber holds more than a forty per cent 556  
proportional interest in the output of the system, which shall 557  
be measured as the sum total of all meters on the subscriber's 558  
property. 559

(5) Not less than sixty per cent of the facility capacity 560  
shall be subscribed by subscriptions of forty kilowatts or less 561  
based on the average annual demand for the prior twelve-month 562  
period. For purposes of this division, a multi-unit building 563  
served by a single meter shall be considered a single customer 564  
provided the average usage, based on the number of units, is 565  
forty kilowatts or less. 566

(6) The facility has a nameplate capacity of ten or less 567  
megawatts, or twenty or less megawatts if the facility is on a 568  
distressed site, as measured at the point of interconnection. 569

(7) The facility is not under the control of an electric distribution utility, but may be under the control of an affiliate of the utility. 570  
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(8) The facility provides retail electric service only to subscribers within the same electric distribution utility certified territory as the facility. 573  
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(D) "Community solar organization" means a for-profit or nonprofit entity that operates one or more community solar facilities. 576  
577  
578

(E) "Distressed site" means a site made up of one or more parcels of land, located within an electric distribution utility's certified territory, or located within a county in which such a utility operates, where the majority of the acreage is at least one or more of the following: 579  
580  
581  
582  
583

(1) A brownfield as defined in section 122.65 of the Revised Code; 584  
585

(2) A parcel that is within an area where an investor may receive a new markets tax credit under section 45D of the Internal Revenue Code; 586  
587  
588

(3) A solid waste facility licensed by the environmental protection agency under section 3734.02 of the Revised Code; 589  
590

(4) A parcel of land that is described by division (b) (11) (B) (iii) of section 45 of the Internal Revenue Code; 591  
592

(5) Land or structure owned by a metropolitan housing authority, as described in section 3735.27 of the Revised Code; 593  
594

(6) Land owned by a county land reutilization corporation as defined in section 1724.01 of the Revised Code. 595  
596

(F) "Guaranteed savings" means the realized savings by the 597  
subscriber as the difference between the cost of a subscription 598  
to a community solar facility and the bill credit received for 599  
the generation attributed to the subscription. 600

(G) "Large industrial customer" means any manufacturer 601  
that uses electricity primarily in a process involving a change 602  
of raw or unfinished materials into another form or product, and 603  
that takes service from an electric distribution utility at 604  
primary voltage, subtransmission voltage, or transmission 605  
voltage. 606

(H) "Non-ministerial permit" means all necessary and 607  
discretionary governmental permits and approvals to construct a 608  
community solar facility or a solar field notwithstanding any 609  
pending legal challenge to one or more permits or approvals. 610

(I) "Solar field" means a single facility that generates 611  
electricity by means of a solar photovoltaic device that is 612  
directly connected to an electric distribution utility's 613  
distribution grid and is not a community solar facility, 614  
regardless of the operational capacity that the facility is 615  
designed for or capable of. 616

(J) "Subscriber" means any retail electric customer who 617  
meets all of the following: 618

(1) The customer has a single unique tax identification 619  
number; 620

(2) The customer has an electric meter on the customer's 621  
property; 622

(3) The customer resides within the certified territory of 623  
an electric distribution utility; 624

<u>(4) The customer purchases a subscription;</u>	625
<u>(5) The customer is not a large industrial customer.</u>	626
<u>(K) "Subscription" means the right to a share of the</u>	627
<u>output of a community solar facility located in an electric</u>	628
<u>distribution utility's certified territory purchased from a</u>	629
<u>community solar organization.</u>	630
<u>(L) "Value stack" means distributed generation</u>	631
<u>compensation calculated under section 4939.09 of the Revised</u>	632
<u>Code that recognizes the benefits that community solar</u>	633
<u>facilities bring to the electrical grid, including all of the</u>	634
<u>following:</u>	635
<u>(1) Avoided costs for generation, capacity, and</u>	636
<u>transmission;</u>	637
<u>(2) Deferred transmission distribution investments;</u>	638
<u>(3) Avoided line loss;</u>	639
<u>(4) Increased resiliency;</u>	640
<u>(5) Other benefits associated with locally produced</u>	641
<u>electricity.</u>	642
<b><u>Sec. 4934.011.</u></b> <u>A community solar facility may be placed on</u>	643
<u>the same parcel or a contiguous parcel of land as a community</u>	644
<u>solar facility or solar field that is developed, owned, or</u>	645
<u>operated by the same entity, affiliated entity, or entity under</u>	646
<u>common control if at least one of the following is met:</u>	647
<u>(A) The parcel or parcels of land are a distressed site,</u>	648
<u>and the total capacity of all community solar facilities and</u>	649
<u>solar fields on the parcel or parcels does not exceed twenty</u>	650
<u>megawatts.</u>	651

(B) All of the following are satisfied: 652

(1) The community solar facility is to be located on a 653  
parcel of land, or multiple parcels of land, that were created 654  
prior to the effective date of this section. 655

(2) The total capacity of all community solar facilities 656  
and solar fields on the parcel or parcels of land does not 657  
exceed ten megawatts. 658

(3) Each community solar facility has its own distinct 659  
point of interconnection with the serving electric distribution 660  
utility, including separate and distinct metering and the 661  
ability to be directly connected to or disconnected from the 662  
utility. 663

(4) The generation components of each community solar 664  
facility are separate, including separate fencing, and not 665  
connected with neighboring facilities other than by the 666  
utility's distribution system. 667

(5) Each community solar facility shares only non- 668  
operational infrastructure, including access roads, utility 669  
poles, and other features necessary to provide utility and 670  
physical access to each facility. 671

Sec. 4934.04. The public utilities commission shall 672  
establish a community solar pilot program, as described in 673  
sections 4934.05 to 4934.17 of the Revised Code, consisting of 674  
one thousand five hundred megawatts to be implemented throughout 675  
this state. 676

Sec. 4934.05. (A) The public utilities commission shall 677  
annually certify two hundred fifty megawatts of community solar 678  
facilities, based on nameplate capacity, until one thousand 679  
megawatts from such facilities are certified. 680



(B) All megawatts certified pursuant to this section shall 681  
be allocated proportionally based off of the size of each 682  
utility's retail electric sales published by the energy 683  
information administration. 684

(C) Any uncertified megawatts for a year carry over to the 685  
subsequent year until all available megawatts are certified. 686

(D) All megawatts certified pursuant to this section shall 687  
be certified in the order that the certification applications 688  
were received. 689

(E) If applications for certification exceed the total 690  
capacity available for the year, then the applications shall be 691  
placed on a wait list as determined by the commission. Once 692  
certification of one thousand megawatts for community solar 693  
facilities has occurred, the wait list shall be eliminated. 694

(F) The commission shall ensure that certification under 695  
this section is separate from a certification process required 696  
under sections 4928.64 to 4928.645 of the Revised Code, or any 697  
related rules in the Ohio Administrative Code. 698

**Sec. 4934.06.** (A) The public utilities commission shall 699  
certify five hundred megawatts of community solar facilities, in 700  
addition to the megawatts certified under section 4934.05 of the 701  
Revised Code, which shall be reserved for community solar 702  
facilities constructed exclusively on distressed sites. 703

(B) The commission shall ensure that certification under 704  
this section is separate from a certification process required 705  
under sections 4928.64 to 4928.645 of the Revised Code, or any 706  
related rules in the Administrative Code. 707

(C) After all megawatts are certified pursuant to this 708  
section, a community solar facility on a distressed site may be 709

certified from the megawatts allocated under section 4934.05 of 710  
the Revised Code. 711

**Sec. 4934.07.** (A) An electric distribution utility with a 712  
community solar facility in its certified territory shall 713  
purchase all electricity generated by the facility that is 714  
attributable to a subscriber's bill credit. 715

(B) An electric distribution utility with a community 716  
solar facility in its certified territory shall purchase the 717  
unsubscribed electricity from a community solar facility at the 718  
utility's wholesale energy cost as approved by the public 719  
utilities commission. 720

**Sec. 4934.071.** (A) As used in this section: 721

(1) "Regional governmental aggregator" means a regional 722  
council of governments established under Chapter 167. of the 723  
Revised Code with members in at least seventeen counties that is 724  
also a governmental aggregator under section 4928.20 of the 725  
Revised Code. 726

(2) "Renewable attributes" means any of the following that 727  
are attributable to a community solar facility or solar field or 728  
the electricity generated by a facility or field provided by the 729  
federal or state government or any other legislative authority 730  
of a political subdivision in the state: 731

(a) Any credits, certificates, benefits, or offsets and 732  
allowances computed on the basis of a community solar facility's 733  
or solar field's displacement of fossil fuel-derived, or other 734  
conventional, electric generation; 735

(b) Any renewable energy credits or any other 736  
environmental certificates issued or administered in connection 737  
with electricity generated from a community solar facility or 738

solar field; 739

(c) Any voluntary emission reduction credits obtained, or 740  
obtainable, in connection with the electric generation from a 741  
community solar facility or solar field. 742

(B) A regional governmental aggregator may purchase the 743  
following: 744

(1) Any amount of renewable attributes from a community 745  
solar facility or a solar field; 746

(2) Any amount of electricity generated by a solar field. 747

**Sec. 4934.072.** A large industrial customer shall not 748  
participate in the community solar pilot program or be charged, 749  
directly or indirectly, for any costs related to the community 750  
solar pilot program. 751

**Sec. 4934.08.** (A) As used in this section, "retail rate" 752  
means all costs of providing generation service, transmission 753  
service, and distribution service that may be charged by an 754  
electric distribution utility. 755

(B) A subscriber to a community solar facility shall be 756  
eligible for a bill credit from the subscriber's electric 757  
distribution utility for the proportional output of a community 758  
solar facility attributable to the subscriber. 759

(C) The public utilities commission shall establish the 760  
bill credit for each subscriber, subject to divisions (C) and 761  
(D) of this section, in either of the following amounts: 762

(1) If the community solar facility is not on a distressed 763  
site, the subscriber shall receive a non-distressed site bill 764  
credit that is equal to the utility's retail rate on a per- 765  
customer class basis, minus only the utility's base charge for 766

distribution service approved under Chapter 4909. of the Revised 767  
Code. 768

(2) If the community solar facility is on a distressed 769  
site, the subscriber shall receive a distressed site bill credit 770  
that is equal to the utility's retail rate on a per-customer 771  
class basis. 772

(D) When determining the bill credit for each utility, the 773  
commission shall ensure that the bill credit is set at a 774  
reasonably compensatory level to create a financeable community 775  
solar market. 776

(E) When determining the bill credit for each utility, the 777  
commission shall consider all of the following: 778

(1) The costs and benefits provided by community solar 779  
facilities participating in the community solar pilot program; 780

(2) All proposed rules, fees, and charges; 781

(3) Any other item that the commission determines is 782  
necessary. 783

(F) The bill credit initially established under this 784  
section shall not be modified unless the commission determines, 785  
after the community solar pilot program review under section 786  
4934.26 of the Revised Code is completed, that such changes are 787  
necessary to adjust for unallocated community solar capacity. 788  
Upon making such determination, the bill credit shall be 789  
modified pursuant to section 4934.09 of the Revised Code. 790

(G) The utility shall publish new tariffs or update 791  
existing tariffs based on the bill credit set under this section 792  
not later than nine months after the effective date of this 793  
section. 794

Sec. 4934.09. (A) If the public utilities commission 795  
determines that a bill credit modification is necessary pursuant 796  
to division (F) of section 4934.08 of the Revised Code, the 797  
commission shall calculate the value stack for each electric 798  
distribution utility and use it to revise the bill credit. 799

(B) The commission shall approve a tariff based on the 800  
revised bill credit rate not later than twelve months after the 801  
report under section 4934.26 of the Revised Code is submitted. 802

Sec. 4934.10. Any bill credit exceeding a subscriber's 803  
monthly bill amount shall carry forward until fully allocated to 804  
the subscriber's bill or until the termination of the 805  
subscriber's community solar organization subscription. 806

Sec. 4934.11. (A) No subscriber may subscribe to a share 807  
of a community solar facility representing more than one hundred 808  
per cent of the subscriber's average annual electricity usage. 809

(B) A subscriber whose community solar subscription 810  
provides less than one hundred per cent of the subscriber's 811  
monthly electric usage may shop for the subscriber's remaining 812  
monthly electric usage as provided under Chapter 4928. of the 813  
Revised Code. 814

(C) A subscriber whose community solar subscription 815  
provides less than one hundred per cent of the subscriber's 816  
monthly electric usage and who chooses not to shop shall be 817  
provided the subscriber's remaining monthly electricity usage 818  
under the electric distribution utility's current standard 819  
service offer approved by the public utilities commission under 820  
Chapter 4928. of the Revised Code. 821

Sec. 4934.12. The purchase of a subscription shall be 822  
considered one of the following: 823

(A) A consumer transaction subject to Chapter 1345. of the 824  
Revised Code regarding the enrollment of residential subscribers 825  
to purchase their shares; 826

(B) Goods subject to Chapter 1302. of the Revised Code 827  
regarding the enrollment of nonresidential subscribers to 828  
purchase such shares. 829

**Sec. 4934.13.** An electric distribution utility shall 830  
interconnect a community solar facility that is in that 831  
utility's certified territory to its distribution system within 832  
a reasonable time after the facility is constructed and shall 833  
ensure such interconnections are made efficiently, safely, and 834  
in compliance with any applicable federal and state regulations 835  
and standards. 836

**Sec. 4934.14.** An electric distribution utility shall not 837  
discriminate against community solar facilities or their 838  
subscribers, which includes adding extraordinary fees and 839  
charges not applied to similar facilities. 840

**Sec. 4934.15.** (A) A community solar organization that 841  
constructs a community solar facility on a distressed site that 842  
is a brownfield, as defined in section 122.65 of the Revised 843  
Code, shall be eligible to receive a grant awarded by the 844  
department of development from the brownfield remediation 845  
program under section 122.6511 of the Revised Code for costs 846  
associated with construction and remediation. 847

(B) The department of development shall promulgate rules 848  
for awarding grants described in this section. 849

**Sec. 4934.16.** (A) The public utilities commission shall 850  
convene and facilitate an ongoing stakeholder working group to 851  
assist commission staff with effectively and efficiently 852

promulgating rules for the community solar pilot program. 853

(B) The working group shall consist of the following: 854

(1) Electric distribution utilities; 855

(2) Consumer advocates; 856

(3) Community solar industry representatives; 857

(4) Other interested parties. 858

**Sec. 4934.17.** Not later than six months after the 859  
effective date of this section, the public utilities commission, 860  
with assistance from the working group established by section 861  
4934.16 of the Revised Code shall promulgate rules to implement 862  
the community solar pilot program, which shall include rules for 863  
the creation and establishment of community solar facilities, 864  
and the following: 865

(A) The certification of community solar facilities, which 866  
shall include rules for the commission to approve or deny each 867  
facility application within ninety days, unless good cause is 868  
shown for not meeting the deadline, as determined by the 869  
commission; 870

(B) Prohibit removing a subscriber from the subscriber's 871  
applicable customer class because of the subscriber's 872  
subscription to a community solar facility; 873

(C) Reasonably allow for the transfer and portability of 874  
subscriptions, including allowing a subscriber to retain a 875  
subscription to a facility if the subscriber moves within the 876  
same electric distribution utility's service territory; 877

(D) Modify existing interconnection standards, fees, and 878  
processes as needed to facilitate the efficient and cost- 879

effective interconnection of community solar facilities that 880  
allow an electric distribution utility to recover reasonable 881  
interconnection costs for each facility; 882

(E) Require each electric distribution utility to 883  
efficiently connect a community solar facility to its electrical 884  
distribution grid and not to discriminate against facilities or 885  
subscribers; 886

(F) Provide for consumer protection in accordance with 887  
existing laws and regulations, including any protections against 888  
disconnection of service; 889

(G) Establish robust consumer protections for subscribers, 890  
including at least the following: 891

(1) A standardized customer disclosure form for 892  
residential subscribers; 893

(2) Prohibiting upfront sign-on fees or credit checks; 894

(3) Preventing early termination charges to any subscriber 895  
who unsubscribes. 896

(H) Allow an electric distribution utility to recover 897  
reasonable costs associated with administering the community 898  
solar pilot program; 899

(I) Ensure that costs associated with the community solar 900  
pilot program only be recovered from customer classes 901  
participating in the program and that no cross-subsidization of 902  
costs between customer classes occurs; 903

(J) Ensure facilities qualifying for the community solar 904  
pilot program have a signed interconnection agreement or a 905  
system impact study, as determined by the commission, can 906  
demonstrate site control, and have received all applicable non- 907



ministerial permits; 908

(K) Require each community solar organization to send a 909  
notice in a standardized format containing information related 910  
to subscriber enrollment to the electric distribution utility 911  
that services the area where the organization's community solar 912  
facility is sited; 913

(L) Not later than nine months after the effective date of 914  
this section, require each electric distribution utility to 915  
publish new tariffs or update existing tariffs to implement the 916  
community solar pilot program; 917

(M) Establish community solar pilot program evaluations 918  
and consumer protections to ensure that subscribers are 919  
effectively and equitably receiving guaranteed savings from 920  
participating in the community solar pilot program; 921

(N) Require a community solar organization to be 922  
responsible for the decommissioning of a community solar 923  
facility pursuant to sections 4934.24 and 4934.25 of the Revised 924  
Code. 925

**Sec. 4934.24.** (A) Not later than eighteen months after a 926  
community solar facility has ceased generating electricity, a 927  
community solar organization shall commence decommissioning of 928  
the facility. 929

(B) The decommissioning described in division (A) of this 930  
section shall include the following, to be mutually agreed to in 931  
writing by the property owner or owners and the organization: 932

(1) The removal, and potential reuse and recycling, of the 933  
solar panels, and the remediation of the site; 934

(2) The removal of all non-utility-owned equipment, 935

graveled areas, and access roads; 936

(3) The replacement of any topsoil that was removed for 937  
the construction of the facility and reseeding of the cleared 938  
area. 939

(C) Not more than twenty per cent of the total combined 940  
mass of the community solar facility may enter a landfill. 941

**Sec. 4934.25.** (A) A community solar organization shall 942  
maintain sufficient financial assurances, in the form of a bond, 943  
through the life of a community solar facility's operation to 944  
provide for decommissioning as described in section 4934.24 of 945  
the Revised Code. 946

(B) The amount of the bond shall be calculated by a third- 947  
party professional engineer obtained by the organization. Every 948  
five years from the date of the initial assessment, the bond 949  
amount shall be recalculated in the same manner. 950

(C) The board of county commissioners where the project is 951  
located shall be the obligee of the bond. 952

**Sec. 4934.26.** (A) The public utilities commission shall 953  
conduct reviews of the community solar pilot program forty-eight 954  
months after the rules for the program have been promulgated and 955  
submit a report to the general assembly with the following 956  
information: 957

(1) The number and location of operating community solar 958  
facilities; 959

(2) The amount of nameplate capacity certified; 960

(3) The number of subscribers, how much energy was 961  
subscribed to by those subscribers, and the types of customer 962  
classes that subscribed; 963

(4) Whether guaranteed savings were achieved by the 964  
subscribers. 965

(B) The commission shall promulgate rules to require 966  
community solar organizations and electric distribution 967  
utilities to provide the commission with a report containing the 968  
relevant information described in division (A) of this section. 969

**Sec. 4934.27.** Notwithstanding any provision of section 970  
121.95 of the Revised Code to the contrary, a regulatory 971  
restriction contained in a rule adopted under sections 4934.15, 972  
4934.17, and 4934.26 of the Revised Code is not subject to 973  
sections 121.95 to 121.953 of the Revised Code. 974

**Section 2.** That existing sections 4928.01 and 4928.02 of 975  
the Revised Code are hereby repealed. 976