

I_136_0465-5

136th General Assembly
Regular Session
2025-2026

Sub. H. B. No. 303

To amend section 4928.02 and to enact sections 1
1.66, 4934.01, 4934.011, 4934.04, 4934.05, 2
4934.06, 4934.07, 4934.071, 4934.072, 4934.08, 3
4934.10, 4934.11, 4934.12, 4934.13, 4934.14, 4
4934.17, 4934.19, 4934.20, 4934.21, 4934.22, 5
4934.23, 4934.25, 4934.26, 4934.27, 4934.28, 6
4934.35, 4934.36, 4934.37, and 4934.38 of the 7
Revised Code to establish the community energy 8
program and pilot program and to define 9
electricity measurement in alternating current. 10

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

Section 1. That section 4928.02 be amended and sections 11
1.66, 4934.01, 4934.011, 4934.04, 4934.05, 4934.06, 4934.07, 12
4934.071, 4934.072, 4934.08, 4934.10, 4934.11, 4934.12, 4934.13, 13
4934.14, 4934.17, 4934.19, 4934.20, 4934.21, 4934.22, 4934.23, 14
4934.25, 4934.26, 4934.27, 4934.28, 4934.35, 4934.36, 4934.37, 15
and 4934.38 of the Revised Code be enacted to read as follows: 16

Sec. 1.66. As used in the Revised Code, unless the 17
context requires otherwise, all measures of electricity 18
described in watts, kilowatts, megawatts, or any derivative 19



vy2cfqvuxwz85yrwp3pouv

thereof means such electricity expressed in alternating current. 20

Sec. 4928.02. It is the policy of this state to do the 21
following throughout this state: 22

(A) Ensure the availability to consumers of adequate, 23
reliable, safe, efficient, nondiscriminatory, and reasonably 24
priced retail electric service; 25

(B) Ensure the availability of unbundled and comparable 26
retail electric service that provides consumers with the 27
supplier, price, terms, conditions, and quality options they 28
elect to meet their respective needs; 29

(C) Ensure diversity of electricity supplies and 30
suppliers, by giving consumers effective choices over the 31
selection of those supplies and suppliers and by encouraging the 32
development of distributed and small generation facilities; 33

(D) Encourage innovation and market access for cost- 34
effective supply- and demand-side retail electric service 35
including, but not limited to, demand-side management, time- 36
differentiated pricing, waste energy recovery systems, smart 37
grid programs, and implementation of advanced metering 38
infrastructure; 39

(E) Encourage cost-effective and efficient access to 40
information regarding the operation of the transmission and 41
distribution systems of electric utilities in order to promote 42
both effective customer choice of retail electric service and 43
the development of performance standards and targets for service 44
quality for all consumers, including annual achievement reports 45
written in plain language; 46

(F) Ensure that an electric utility's transmission and 47
distribution systems are available to a customer-generator or 48

owner of distributed generation, so that the customer-generator 49
or owner can market and deliver the electricity it produces; 50

(G) Recognize the continuing emergence of competitive 51
electricity markets through the development and implementation 52
of flexible regulatory treatment; 53

(H) Ensure effective competition in the provision of 54
retail electric service by avoiding anticompetitive subsidies 55
flowing from a noncompetitive retail electric service to a 56
competitive retail electric service or to a product or service 57
other than retail electric service, and vice versa, including by 58
prohibiting the recovery of any generation-related costs through 59
distribution or transmission rates; 60

(I) Ensure retail electric service consumers protection 61
against unreasonable sales practices, market deficiencies, and 62
market power; 63

(J) Provide coherent, transparent means of giving 64
appropriate incentives to technologies that can adapt 65
successfully to potential environmental mandates; 66

(K) Encourage implementation of distributed generation 67
across customer classes through regular review and updating of 68
administrative rules governing critical issues such as, but not 69
limited to, interconnection standards, standby charges, and net 70
metering; 71

(L) Protect at-risk populations, including, but not 72
limited to, when considering the implementation of any new 73
advanced energy or renewable energy resource; 74

(M) Encourage the education of small business owners in 75
this state regarding the use of, and encourage the use of, 76
energy efficiency programs and alternative energy resources in 77

| | |
|---|----------------------------|
| their businesses; | 78 |
| (N) Facilitate the state's effectiveness in the global economy. | 79 80 |
| (O) Encourage cost-effective, timely, and efficient access to and sharing of customer usage data with customers and competitive suppliers to promote customer choice and grid modernization. | 81 82 83 84 |
| (P) Ensure that a customer's data is provided in a standard format and provided to third parties in as close to real time as is economically justifiable in order to spur economic investment and improve the energy options of individual customers. | 85 86 87 88 89 |
| <u>(Q) Encourage the development of community energy facilities, as defined in section 4934.01 of the Revised Code, for the benefit of customers in this state and to facilitate participation by customers with the facilities.</u> | 90 91 92 93 |
| <u>(R) Establish a community energy pilot program, pursuant to sections 4934.04 to 4934.19 and 4934.25 to 4934.27 of the Revised Code.</u> | 94 95 96 |
| In carrying out this policy, the commission shall consider rules as they apply to the costs of electric distribution infrastructure, including, but not limited to, line extensions, for the purpose of development in this state. | 97 98 99 100 |
| <u>Sec. 4934.01. As used in this chapter:</u> | 101 |
| <u>(A) "Bill credit" means the monetary value approved under section 4934.08 of the Revised Code by the public utilities commission for each kilowatt hour of electricity generated by a community energy facility.</u> | 102 103 104 105 |

(B) "Certified territory," "electric distribution utility," and "energy storage" have the same meanings as in section 4928.01 of the Revised Code. 106
107
108

(C) "Commercial or public sector rooftop" means either of the following that is located within an electric distribution utility's certified territory: 109
110
111

(1) The roof of a building located on commercial real estate as defined in section 1311.85 of the Revised Code; 112
113

(2) Any property owned by a public authority as defined in section 1311.25 of the Revised Code. 114
115

(D) "Community energy facility" means a single facility that does the following: 116
117

(1) Generates electricity by means of a solar photovoltaic device or uses as its fuel either solar, wind, biomass, landfill gas, or hydroelectric power, or uses a microturbine, natural gas-fired generator, energy storage system, or a fuel cell; 118
119
120
121

(2) Meets all of the following requirements: 122

(a) The facility is located in this state and is directly connected to an electric distribution utility's distribution system. 123
124
125

(b) The facility has at least three subscribers. 126

(c) The facility is located on one parcel of land and, except as provided in section 4934.011 of the Revised Code, there is no community energy facility on the same or a contiguous parcel that is developed, owned, or operated by the same entity, affiliated entity, or entity under common control. 127
128
129
130
131

(d) No subscriber holds more than a sixty per cent 132

proportional interest in the output of the system, which shall 133
be measured as the sum total of all meters on the subscriber's 134
property. 135

(e) Not less than forty per cent of the facility capacity 136
shall be subscribed by subscriptions of forty kilowatts or less. 137
For purposes of this division, a multi-unit building served by a 138
single meter shall be considered a single customer provided the 139
average usage, based on the number of units, is forty kilowatts 140
or less. 141

(f) The facility has a nameplate capacity of ten or less 142
megawatts, or twenty or less megawatts if the facility is on a 143
distressed site or one or more commercial or public sector 144
rooftops, as measured at the point of interconnection. 145

(g) The facility is not under the control of an electric 146
distribution utility, but may be under the control of an 147
affiliate of the utility. 148

(3) (a) If the facility uses either an energy storage 149
system or natural gas-fired generator, then the energy storage 150
system or generator is not sized so as to exceed the size of any 151
co-located facility using solar, wind, biomass, landfill gas, or 152
hydroelectric power as its fuel. 153

(b) If the system uses both an energy storage system and 154
natural gas-fired generator, then the combined nameplate 155
capacity of the storage system and generator is not sized so as 156
to exceed the size of any co-located facility using solar, wind, 157
biomass, landfill gas, or hydroelectric power as its fuel. 158

(E) "Community energy organization" means a for-profit or 159
nonprofit entity that operates one or more community energy 160
facilities. 161

(F) "Contiguous county" means a county that directly 162
shares a border with another county, including, counties who 163
only share a border with another county's endpoints, and 164
counties that are adjacent geographically, with no intervening 165
counties between them. 166

(G) "Distressed site" means a site made up of one or more 167
parcels of land, located within an electric distribution 168
utility's certified territory where the majority of the acreage 169
is at least one or more of the following: 170

(1) A brownfield as defined in section 122.6511 of the 171
Revised Code; 172

(2) A parcel that is within an area where an investor may 173
receive a new markets tax credit under section 45D of the 174
Internal Revenue Code; 175

(3) A solid waste facility licensed by the environmental 176
protection agency under section 3734.02 of the Revised Code; 177

(4) A parcel of land that is described by division (b) (11) 178
(B) (iii) of section 45 of the Internal Revenue Code; 179

(5) Land or structure owned by a metropolitan housing 180
authority, as described in section 3735.27 of the Revised Code; 181

(6) Land owned by a county land reutilization corporation 182
as defined in section 1724.01 of the Revised Code. 183

(H) "Large industrial customer" means any manufacturer 184
that uses electricity primarily in a process involving a change 185
of raw or unfinished materials into another form or product, and 186
that takes service from an electric distribution utility at 187
primary voltage, subtransmission voltage, or transmission 188
voltage. 189

(I) "Mercantile customer" has the same meaning as in 190
section 4928.01 of the Revised Code. 191

(J) "Net crediting" means a program offered by an electric 192
distribution utility under which the electric utility does the 193
following: 194

(1) Issues a customer, who is a subscriber, a consolidated 195
electric bill that includes on the customer's monthly bill the 196
electric utility charges for electric service, the community 197
energy subscription charge, and any bill credit; 198

(2) Remits the customer's subscription fee to the owner or 199
operator of the community energy organization to which the 200
customer subscribes. 201

(K) "Non-ministerial permit" means all necessary and 202
discretionary governmental permits and approvals to construct a 203
community energy facility notwithstanding any pending legal 204
challenge to one or more permits or approvals. 205

(L) "Political subdivision" means a county, township, or 206
municipal corporation, or any other body corporate and politic 207
responsible for governmental activities in a geographic area 208
smaller than that of the state. 209

(M) "Subscriber" means any retail electric customer who 210
meets all of the following: 211

(1) The customer has an electric meter on the customer's 212
property; 213

(2) The customer is located within the certified territory 214
of an electric distribution utility; 215

(3) The customer contracts for a subscription from a 216
community energy facility located in the same certified 217

territory as the customer; 218

(4) For customers with subscriptions of forty kilowatts or 219
less to a community energy facility not located on a distressed 220
site, the community energy facility must be located in either 221
the same county as the customer or in a contiguous county to the 222
customer's electric meter; 223

(5) The customer is not a large industrial customer or 224
mercantile customer. 225

(N) "Subscription" means the right to obtain from a 226
community energy organization an allocation of bill credits for 227
electricity generated by a community energy facility. 228

(O) "Unsubscribed electricity" means any electricity 229
generated by a community energy facility that is not 230
attributable to a subscription. 231

Sec. 4934.011. A community energy facility may be placed 232
on the same parcel or a contiguous parcel of land as a community 233
energy facility that is developed, owned, or operated by the 234
same entity, affiliated entity, or entity under common control 235
if at least one of the following is met: 236

(A) The parcel or parcels of land are a distressed site or 237
the facility is on one or more commercial or public sector 238
rooftops, and the total capacity of all community energy 239
facilities on the parcel or parcels does not exceed twenty 240
megawatts. 241

(B) All of the following are satisfied: 242

(1) The community energy facility is to be located on a 243
parcel of land, or multiple parcels of land, that were created 244
prior to the effective date of this section. 245

(2) The total capacity of all community energy facilities 246
on the parcel or parcels of land does not exceed ten megawatts. 247

(3) Each community energy facility has its own distinct 248
point of interconnection with the serving electric distribution 249
utility, including separate and distinct metering and the 250
ability to be directly connected to or disconnected from the 251
utility. 252

(4) The generation components of each community energy 253
facility are separate, including separate fencing, and not 254
connected with neighboring facilities other than by the 255
utility's distribution system. 256

(5) Each community energy facility shares only non- 257
operational infrastructure, including access roads, utility 258
poles, and other features necessary to provide utility and 259
physical access to each facility. 260

Sec. 4934.04. The public utilities commission shall 261
establish a community energy pilot program, as described in 262
sections 4934.05 to 4934.17 and 4934.25 to 4934.27 of the 263
Revised Code, consisting of one thousand five hundred megawatts 264
to be implemented throughout this state. The amount of megawatts 265
in the program may only be expanded by the general assembly. 266

Sec. 4934.05. (A) The public utilities commission shall 267
annually certify two hundred fifty megawatts of community energy 268
facilities, based on nameplate capacity, until one thousand 269
megawatts from such facilities are certified. 270

(B) All megawatts certified pursuant to this section shall 271
be allocated proportionally based on the size of each utility's 272
retail electric sales published by the energy information 273
administration. 274

(C) Any uncertified megawatts for a year carry over to the 275
subsequent year until all available megawatts are certified. 276

(D) All megawatts certified pursuant to this section shall 277
be certified in the order that the certification applications 278
were received. 279

(E) If applications for certification exceed the total 280
capacity available for the year, then the applications shall be 281
placed on a wait list as determined by the commission. Once 282
certification of one thousand megawatts for community energy 283
facilities has occurred, the wait list shall be eliminated. 284

(F) The commission shall ensure that certification under 285
this section is separate from a certification process required 286
under sections 4928.64 to 4928.645 of the Revised Code, or any 287
related rules in the Ohio Administrative Code. 288

Sec. 4934.06. (A) The public utilities commission shall 289
certify five hundred megawatts of community energy facilities, 290
in addition to the megawatts certified under section 4934.05 of 291
the Revised Code, which shall be reserved for community energy 292
facilities constructed exclusively on distressed sites or one or 293
more commercial or public sector rooftops. 294

(B) The commission shall ensure that certification under 295
this section is separate from a certification process required 296
under sections 4928.64 to 4928.645 of the Revised Code, or any 297
related rules in the Administrative Code. 298

(C) After all megawatts are certified pursuant to this 299
section, a community energy facility on a distressed site or a 300
commercial or public sector rooftop may be certified from the 301
megawatts allocated under section 4934.05 of the Revised Code. 302

Sec. 4934.07. (A) An electric distribution utility with a 303

community energy facility in its certified territory shall 304
allocate bill credits for all electricity generated by the 305
facility that is attributable to a subscription. 306

(B) (1) A community energy organization may account for 307
unsubscribed electricity on a monthly basis and accumulate bill 308
credits for the unsubscribed electricity for a period of up to 309
twelve months after it was generated. 310

(2) Bill credits for unsubscribed electricity accumulated 311
under division (B) (1) of this section shall be allocated to 312
future subscribers at the direction of the community energy 313
organization. 314

(C) At least once annually, a community energy 315
organization shall furnish to the electric distribution utility 316
in whose certified territory the community energy facility is 317
located an allocation for distribution of bill credits to 318
subscribers for unsubscribed electricity. 319

(D) A community energy organization shall forfeit, to the 320
electric distribution utility in whose certified territory the 321
community energy facility is located, any bill credits for 322
unsubscribed electricity that are not allocated pursuant to 323
division (B) of this section. 324

Sec. 4934.071. (A) As used in this section: 325

(1) "Regional governmental aggregator" means a regional 326
council of governments established under Chapter 167. of the 327
Revised Code with members in at least seventeen counties that is 328
also a governmental aggregator under section 4928.20 of the 329
Revised Code. 330

(2) "Renewable attributes" means any of the following that 331
are attributable to a community energy facility or the 332

electricity generated by a facility provided by the federal or 333
state government or any other legislative authority of a 334
political subdivision in the state: 335

(a) Any credits, certificates, benefits, or offsets and 336
allowances computed on the basis of a community energy 337
facility's displacement of fossil fuel-derived, or other 338
conventional, electric generation; 339

(b) Any renewable energy credits or any other 340
environmental certificates issued or administered in connection 341
with electricity generated from a community energy facility; 342

(c) Any voluntary emission reduction credits obtained, or 343
obtainable, in connection with the electric generation from a 344
community energy facility. 345

(B) A regional governmental aggregator may purchase any 346
amount of renewable attributes from a community energy facility. 347

Sec. 4934.072. A large industrial customer or mercantile 348
customer shall not participate in the community energy pilot 349
program or be charged, directly or indirectly, for any costs 350
related to the community energy pilot program, including any 351
bill credits approved under section 4934.08 of the Revised Code. 352

Sec. 4934.08. (A) As used in this section, "retail rate" 353
means all costs of providing generation service, transmission 354
service, and distribution service that may be charged by an 355
electric distribution utility. 356

(B) A subscriber to a community energy facility shall be 357
eligible for a bill credit from the subscriber's electric 358
distribution utility for the proportional output of a community 359
energy facility attributable to the subscriber. 360

(C) The public utilities commission shall establish the 361
bill credit for each subscriber that is equal to the utility's 362
retail rate on a per-customer class basis, minus only the 363
utility's base charge for distribution service approved under 364
Chapter 4909. of the Revised Code and the utility's distribution 365
riders or other distribution charges approved under Chapter 366
4928. of the Revised Code. 367

(D) The utility shall publish new tariffs or update 368
existing tariffs based on the bill credit set under this section 369
not later than nine months after the effective date of this 370
section. 371

Sec. 4934.10. Any bill credit exceeding a subscriber's 372
monthly bill amount shall carry forward until fully allocated to 373
the subscriber's bill or until the termination of the 374
subscriber's community energy organization subscription. 375

Sec. 4934.11. No subscriber may obtain a subscription for 376
electricity generated by a community energy facility 377
representing more than one hundred per cent of the subscriber's 378
average annual electricity usage. 379

Sec. 4934.12. A subscription shall be considered one of 380
the following: 381

(A) A consumer transaction subject to Chapter 1345. of the 382
Revised Code regarding the enrollment of residential subscribers 383
to obtain an allocation of bill credits; 384

(B) Goods subject to Chapter 1302. of the Revised Code 385
regarding the enrollment of nonresidential subscribers to obtain 386
an allocation of bill credits. 387

Sec. 4934.13. An electric distribution utility shall 388
interconnect a community energy facility that is in that 389

utility's certified territory to its distribution system within 390
a reasonable time after the facility is constructed and shall 391
ensure such interconnections are made efficiently, safely, and 392
in compliance with any applicable federal and state regulations 393
and standards. 394

Sec. 4934.14. An electric distribution utility shall not 395
discriminate against community energy facilities or their 396
subscribers, which includes adding extraordinary fees and 397
charges not applied to similar facilities. 398

Sec. 4934.17. (A) Notwithstanding division (B) of this 399
section, the public utilities commission has exclusive 400
jurisdiction over the regulation of the interconnection of 401
community energy facilities to the distribution systems of 402
electric utilities. A board of county commissioners, a board of 403
township trustees, or the legislative authority of a municipal 404
corporation shall not adopt or enforce regulations governing the 405
technical requirements, processes, or costs of interconnection 406
for a community energy facility. 407

(B) Nothing in this chapter shall be construed to limit 408
the authority of the following regarding the zoning of a small 409
wind farm or small solar facility: 410

(1) A board of county commissioners or a board of zoning 411
appeals under section 303.213 of the Revised Code; 412

(2) A board of township trustees or a board of zoning 413
appeals under section 519.213 of the Revised Code; 414

(3) The legislative authority of a municipal corporation 415
under section 713.081 of the Revised Code. 416

As used in this division, "small wind farm" and "small 417
solar facility" have the same meanings as in sections 303.213, 418

519.213, and 713.081 of the Revised Code.

419

Sec. 4934.19. (A) An electric distribution utility shall
establish a net crediting program under which the electric
distribution utility shall enter into a net crediting agreement
with a community energy organization. The terms of an agreement
shall specify that authorization by or on behalf of a subscriber
is required before a subscriber may be billed by the electric
distribution utility under the program. An agreement also shall
specify the terms for payments made by the electric distribution
utility to the community energy organization, which terms may
include a net crediting fee of not more than one per cent of the
subscription fee to be deducted from the electric distribution
utility's payment to the community energy organization.

420

421

422

423

424

425

426

427

428

429

430

431

(B) Under a net crediting agreement, an electric
distribution utility shall do the following:

432

433

(1) Remit, through an electronic funds transfer, the cash
value of the subscriber's subscription fee, less any net
crediting fee, to the community energy organization not later
than thirty days after the billing period;

434

435

436

437

(2) Issue electric distribution utility customers who are
subscribers an itemized monthly bill that includes, in addition
to charges described in division (B)(4) of this section, the
subscriber's bill credit for the billing period and the
subscriber's subscription fee;

438

439

440

441

442

(3) Process monthly bills for subscribers who participate
in low-income customer assistance programs or budget billing
programs in the same manner as bills for customers who are not
participating in such programs;

443

444

445

446

(4) Bill for all basic electric services, including

447

transmission, distribution, and generation charges, consistent 448
with this section and commission regulations. 449

Sec. 4934.20. An electric distribution utility that enters 450
into a net crediting agreement with a community energy 451
organization shall prioritize payments from a customer who is a 452
subscriber for each billing period according to this section. 453
Past due subscriber fees owed to a community energy organization 454
shall be paid prior to payments to the electric distribution 455
utility for any arrearages on the customer's electric service 456
bill. The electric distribution utility shall not apply a 457
customer's bill credit to a customer's outstanding balance for 458
electric service for the billing period. 459

Sec. 4934.21. A nonresidential customer that subscribes to 460
multiple community energy facilities may participate in the net 461
crediting program only if each facility is included in a net 462
crediting agreement under sections 4934.19 to 4934.23 of the 463
Revised Code. 464

Sec. 4934.22. The minimum service requirements established 465
under section 4928.10 of the Revised Code apply to sections 466
4934.19 to 4934.23 of the Revised Code. 467

Sec. 4934.23. The public utilities commission shall adopt 468
rules to implement net crediting programs authorized under 469
sections 4934.19 to 4934.23 of the Revised Code. 470

Sec. 4934.25. (A) A community energy organization that 471
constructs a community energy facility on a distressed site that 472
is a brownfield, as defined in section 122.6511 of the Revised 473
Code, shall be eligible to receive a grant awarded by the 474
department of development from the brownfield remediation 475
program under section 122.6511 of the Revised Code for costs 476

associated with remediation. 477

(B) The department of development shall promulgate rules 478
for awarding grants described in this section. 479

Sec. 4934.26. (A) The public utilities commission shall 480
convene and facilitate an ongoing stakeholder working group, or 481
designate an existing group to function as the working group, to 482
assist commission staff with effectively and efficiently 483
promulgating rules for the community energy pilot program. 484

(B) The working group shall consist of the following: 485

(1) Electric distribution utilities; 486

(2) Consumer advocates; 487

(3) Community energy industry representatives; 488

(4) Other interested parties. 489

Sec. 4934.27. Not later than twelve months after the 490
effective date of this section, the public utilities commission, 491
with assistance from the working group under section 4934.26 of 492
the Revised Code shall promulgate rules to implement the 493
community energy pilot program, which shall include rules for 494
the creation and establishment of community energy facilities, 495
the collection of a reasonable application fee from each 496
community energy organization participating in the program, and 497
the following: 498

(A) The certification of community energy facilities, 499
which shall include rules for the commission to approve or deny 500
each facility application within ninety days, unless good cause 501
is shown for not meeting the deadline, as determined by the 502
commission; 503

(B) Prohibit removing a subscriber from the subscriber's 504
applicable customer class because of the subscriber's 505
subscription to a community energy facility; 506

(C) Reasonably allow for the transfer and portability of 507
subscriptions, including allowing a subscriber to retain a 508
subscription to a facility if the subscriber moves within the 509
same electric distribution utility's service territory; 510

(D) Modify existing interconnection standards, fees, and 511
processes as needed to facilitate the efficient and cost- 512
effective interconnection of community energy facilities that 513
allow an electric distribution utility to recover reasonable 514
interconnection costs for each facility; 515

(E) Require each electric distribution utility to 516
efficiently connect a community energy facility to its 517
electrical distribution grid and not to discriminate against 518
facilities or subscribers; 519

(F) Provide for consumer protection in accordance with 520
existing laws and regulations, including any protections against 521
disconnection of service; 522

(G) Establish robust consumer protections for subscribers, 523
including at least the following: 524

(1) A standardized customer disclosure form for 525
residential subscribers; 526

(2) Prohibiting upfront sign-on fees or credit checks; 527

(3) Preventing early termination charges to any subscriber 528
who unsubscribes. 529

(H) Allow an electric distribution utility to recover 530
reasonable costs associated with administering the community 531

energy pilot program from community energy subscribers or 532
community energy organizations; 533

(I) Ensure that the provisions of H.B. 303 of the 136th 534
general assembly shall be construed to minimize direct or 535
indirect costs related to community energy facilities to an 536
electric distribution utility's nonsubscriber ratepayers and 537
shall maximize benefits to all rate classes, regardless of 538
participation in a community energy program; 539

(J) Ensure facilities qualifying for the community energy 540
pilot program have a signed interconnection agreement or a 541
system impact study, as determined by the commission, can 542
demonstrate site control, and have received all applicable non- 543
ministerial permits; 544

(K) Require each community energy organization to send a 545
notice in a standardized format containing information related 546
to subscriber enrollment to the electric distribution utility 547
that services the area where the organization's community energy 548
facility is sited; 549

(L) Not later than nine months after the effective date of 550
this section, require each electric distribution utility to 551
publish new tariffs or update existing tariffs to implement the 552
community energy pilot program; 553

(M) Require a community energy organization to be 554
responsible for the decommissioning of a community energy 555
facility pursuant to sections 4934.35 and 4934.36 of the Revised 556
Code. 557

Sec. 4934.28. (A) As used in this section, "distributed 558
energy resource" means a small-scale electricity-generating or 559
storage system connected to the distribution grid, including 560

technologies such as rooftop solar, batteries, and generators, 561
that enhance grid resilience, provide energy security, and offer 562
potential cost savings. 563

(B) A distributed energy resource that also meets the 564
criteria to be a community energy facility that has submitted a 565
completed interconnection application to an electric 566
distribution utility and has site control before the effective 567
date of this section shall retain its original position in the 568
interconnection queue and remain eligible to participate in the 569
community energy pilot program if that facility meets the 570
program eligibility requirements and any rules adopted by the 571
public utilities commission. 572

(C) The commission shall ensure the following: 573

(1) That the projects described in division (B) of this 574
section are not made to restart the interconnection process or 575
forfeit any previously completed engineering reviews or fees. 576

(2) Projects commence any applicable study process within 577
thirty days of receiving the study agreement or pursuant to 578
timelines established by the commission. 579

(D) An owner or operator of a distributed energy resource 580
that fails to engage in good faith progression of the 581
interconnection process, including willful delay or obstruction, 582
may result in loss of queue position or eligibility in the 583
community energy pilot program. 584

Sec. 4934.35. (A) Not later than eighteen months after a 585
community energy facility has ceased generating electricity, a 586
community energy organization shall commence decommissioning of 587
the facility. 588

(B) The decommissioning described in division (A) of this 589

section shall include the following, to be mutually agreed to in 590
writing by the property owner or owners and the organization: 591

(1) The removal, and potential reuse and recycling, of 592
solar panels and other community energy equipment, and the 593
remediation of the site; 594

(2) The removal of all non-utility-owned equipment, 595
graveled areas, and access roads; 596

(3) The replacement of any topsoil that was removed for 597
the construction of the facility and reseeding of the cleared 598
area. 599

(C) Not more than twenty per cent of the total combined 600
mass of the community energy facility may enter a landfill. 601

Sec. 4934.36. (A) A community energy organization shall 602
maintain sufficient financial assurances, in the form of a bond, 603
through the life of a community energy facility's operation to 604
provide for decommissioning as described in section 4934.35 of 605
the Revised Code. 606

(B) The amount of the bond shall be calculated by a third- 607
party professional engineer obtained by the organization. Every 608
five years from the date of the initial assessment, the bond 609
amount shall be recalculated in the same manner. 610

(C) The board of county commissioners where the project is 611
located shall be the obligee of the bond. 612

Sec. 4934.37. The public utilities commission shall 613
conduct reviews of the community energy pilot program forty- 614
eight months after the rules for the program have been 615
promulgated and present a report at a hearing before the 616
appropriate committee in each chamber of the general assembly 617

with the following information: 618

(A) The number and location of operating community energy 619
facilities; 620

(B) The amount of nameplate capacity certified; 621

(C) The number of subscribers, how much energy was 622
subscribed to by those subscribers, and the types of customer 623
classes that subscribed; 624

(D) Avoided costs for generation, capacity, and 625
transmission; 626

(E) Deferred transmission distribution investments; 627

(F) Avoided line loss; 628

(G) Increases in electric grid resiliency; 629

(H) Other benefits associated with locally produced 630
electricity; 631

(I) An evaluation of the overall costs and benefits of the 632
community energy pilot program, including an assessment of 633
whether the program has successfully minimized direct or 634
indirect costs related to community energy facilities to an 635
electric distribution utility's nonsubscriber ratepayers and 636
whether program costs and benefits have been allocated in 637
proportion to customer participation within each rate class. 638

Sec. 4934.38. Notwithstanding any provision of section 639
121.95 of the Revised Code to the contrary, a regulatory 640
restriction contained in a rule adopted under sections 4934.23, 641
4934.25, 4934.27, and 4934.37 of the Revised Code is not subject 642
to sections 121.95 to 121.953 of the Revised Code. 643

Section 2. That existing section 4928.02 of the Revised 644

Code is hereby repealed.

645