

As Introduced

134th General Assembly

Regular Session

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H. B. No. 450

Representatives Baldrige, Lanese

**Cosponsors: Representatives Manning, Hillyer, Skindell, Stewart, Pavliga,
Sheehy, Carfagna, White**

A BILL

To amend section 4928.02 and to enact sections 1
4928.85, 4928.851, 4928.852, 4928.856, 4928.857,
4928.858, and 4928.859 of the Revised Code to 2
allow for the development of community solar 3
projects. 4
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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 4928.02 be amended and sections 6
4928.85, 4928.851, 4928.852, 4928.856, 4928.857, 4928.858, and 7
4928.859 of the Revised Code be enacted to read as follows: 8

Sec. 4928.02. It is the policy of this state to do the 9
following throughout this state: 10

(A) Ensure the availability to consumers of adequate, 11
reliable, safe, efficient, nondiscriminatory, and reasonably 12
priced retail electric service; 13

(B) Ensure the availability of unbundled and comparable 14
retail electric service that provides consumers with the 15
supplier, price, terms, conditions, and quality options they 16
elect to meet their respective needs; 17

(C) Ensure diversity of electricity supplies and 18
suppliers, by giving consumers effective choices over the 19
selection of those supplies and suppliers and by encouraging the 20
development of distributed and small generation facilities; 21

(D) Encourage innovation and market access for cost- 22
effective supply- and demand-side retail electric service 23
including, but not limited to, demand-side management, time- 24
differentiated pricing, waste energy recovery systems, smart 25
grid programs, and implementation of advanced metering 26
infrastructure; 27

(E) Encourage cost-effective and efficient access to 28
information regarding the operation of the transmission and 29
distribution systems of electric utilities in order to promote 30
both effective customer choice of retail electric service and 31
the development of performance standards and targets for service 32
quality for all consumers, including annual achievement reports 33
written in plain language; 34

(F) Ensure that an electric utility's transmission and 35
distribution systems are available to a customer-generator or 36
owner of distributed generation, so that the customer-generator 37
or owner can market and deliver the electricity it produces; 38

(G) Recognize the continuing emergence of competitive 39
electricity markets through the development and implementation 40
of flexible regulatory treatment; 41

(H) Ensure effective competition in the provision of 42
retail electric service by avoiding anticompetitive subsidies 43
flowing from a noncompetitive retail electric service to a 44
competitive retail electric service or to a product or service 45
other than retail electric service, and vice versa, including by 46

prohibiting the recovery of any generation-related costs through distribution or transmission rates;	47 48
(I) Ensure retail electric service consumers protection against unreasonable sales practices, market deficiencies, and market power;	49 50 51
(J) Provide coherent, transparent means of giving appropriate incentives to technologies that can adapt successfully to potential environmental mandates;	52 53 54
(K) Encourage implementation of distributed generation across customer classes through regular review and updating of administrative rules governing critical issues such as, but not limited to, interconnection standards, standby charges, and net metering;	55 56 57 58 59
(L) Protect at-risk populations, including, but not limited to, when considering the implementation of any new advanced energy or renewable energy resource;	60 61 62
(M) Encourage the education of small business owners in this state regarding the use of, and encourage the use of, energy efficiency programs and alternative energy resources in their businesses;	63 64 65 66
(N) Facilitate the state's effectiveness in the global economy.	67 68
(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.	69 70 71 72
(P) Ensure that a customer's data is provided in a standard format and provided to third parties in as close to	73 74

real time as is economically justifiable in order to spur 75
economic investment and improve the energy options of individual 76
customers. 77

In carrying out this policy, the commission shall consider 78
rules as they apply to the costs of electric distribution 79
infrastructure, including, but not limited to, line extensions, 80
for the purpose of development in this state. 81

(Q) Encourage the development of community solar projects 82
as defined in section 4928.85 of the Revised Code for the 83
benefit of customers in this state and to facilitate 84
participation by customers with the projects. 85

Sec. 4928.85. As used in sections 4928.85 to 4928.859 of 86
the Revised Code: 87

(A) "Community solar project" means a facility that 88
generates electricity by means of a solar photovoltaic device 89
and meets the following requirements: 90

(1) The facility is located in the state and is connected 91
to the electric transmission grid, or an electric distribution 92
system, serving the state; 93

(2) The facility has at least three subscribers; 94

(3) The facility is located on one or more adjacent and 95
contiguous parcels of land and is not located within one mile of 96
solar facilities under the control of the same entity, based on 97
the project's point of interconnection; 98

(4) No subscriber holds more than a forty per cent 99
proportional interest in the output of the system. Not less than 100
sixty per cent of the facility capacity shall be subscribed by 101
subscriptions of forty kilowatts or less. 102

<u>(5) The facility has a nameplate capacity of ten or less</u>	103
<u>megawatts as measured at the point of interconnection;</u>	104
<u>(6) The facility is not under the control of an electric</u>	105
<u>distribution utility, but may be under the control of an</u>	106
<u>affiliate of the utility.</u>	107
<u>(B) "Distressed site" means a site made up of contiguous</u>	108
<u>parcels, located within an electric distribution utility's</u>	109
<u>certified territory, or located within a county in which such a</u>	110
<u>utility operates, where the majority of the acreage is at least</u>	111
<u>one or more of the following:</u>	112
<u>(1) A brownfield as defined in section 122.65 of the</u>	113
<u>Revised Code;</u>	114
<u>(2) A parcel that is within an area where an investor may</u>	115
<u>receive a new markets tax credit under section 45D of the</u>	116
<u>Internal Revenue Code;</u>	117
<u>(3) A closed solid waste facility licensed by the</u>	118
<u>environmental protection agency under section 3734.02 of the</u>	119
<u>Revised Code.</u>	120
<u>(C) "Subscriber" means a customer of an electric</u>	121
<u>distribution utility who purchases a share of the output of a</u>	122
<u>community solar project from a subscriber organization, and is</u>	123
<u>not a self-assessing purchaser under section 5727.81 of the</u>	124
<u>Revised Code.</u>	125
<u>(D) "Subscriber organization" means a for-profit or</u>	126
<u>nonprofit entity that owns or operates one or more community</u>	127
<u>solar projects.</u>	128
<u>(E) "Control" means the possession, directly or</u>	129
<u>indirectly, of the power to direct the management and policies</u>	130

of an entity, whether through the ownership of voting securities, by contract, or otherwise. 131
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(F) "Non-ministerial permit" means all necessary governmental permits and approvals to construct a project notwithstanding any pending legal challenge to one or more permits or approvals. 133
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Sec. 4928.851. (A) The public utilities commission may certify up to two thousand megawatts of community solar projects, based on nameplate capacity. 137
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(B) The commission may also certify up to one thousand megawatts, in addition to the megawatts certified under division (A) of this section, which shall be reserved for community solar projects constructed exclusively on distressed sites. The commission shall ensure that a majority of the megawatts described in this division shall be distributed to projects that are to be constructed in the Appalachian region as defined in section 107.21 of the Revised Code. 140
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(C) The commission shall ensure that certification under this section is separate from any certification process required under sections 4928.64 to 4928.645 of the Revised Code, or any related rules in the Administrative Code. 148
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Sec. 4928.852. (A) A subscriber to a community solar project shall be eligible for net metering under section 4928.67 of the Revised Code on the same terms as a customer-generator, offsetting the subscriber's usage based on the amount of electricity represented by that subscriber's share of a project. Those terms shall also include a process for customers to unsubscribe from the project. 152
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(B) No subscriber may subscribe to a share of a community 159

solar project representing more than one hundred twenty per cent 160
of their average annual electricity usage. 161

Sec. 4928.856. A community solar project that is 162
constructed on a distressed site may have a nameplate capacity 163
of up to forty-five megawatts based on the project's point of 164
interconnection. 165

Sec. 4928.857. (A) A subscription organization that 166
constructs a community solar project on a distressed site shall 167
be eligible to receive a grant awarded by the department of 168
development from the brownfield remediation program under 169
section 122.6511 of the Revised Code for costs associated with 170
construction and remediation. 171

(B) The department shall promulgate rules for awarding 172
grants described in division (A) of this section. 173

Sec. 4928.858. (A) The public utilities commission shall 174
annually conduct a review of the community solar project program 175
and submit a report to the general assembly with at least the 176
following information: 177

(1) The number and location of community solar projects; 178

(2) The amount of nameplate capacity available; 179

(3) The number of subscribers, how much energy was 180
consumed by those subscribers, and the types of customer classes 181
that subscribed; 182

(4) Whether bill savings were achieved by the subscribers; 183

(5) Any other information the commission determines is 184
necessary. 185

(B) The commission shall promulgate rules to require 186

subscriber organizations to provide the commission with a report 187
containing the information described in division (A) of this 188
section and any other information the commission requests. 189

Sec. 4928.859. Notwithstanding any provision of section 190
121.95 of the Revised Code to the contrary, and not later than 191
six months after the effective date of this section, the public 192
utilities commission shall promulgate rules to implement 193
sections 4928.85 to 4928.858 of the Revised Code, which shall 194
include rules for the creation and establishment of community 195
solar projects and the following: 196

(A) The enrollment of subscribers to purchase shares of 197
the output of a community solar project, which shall also ensure 198
consumer protection for subscribers and ensure participation 199
opportunities for all subscribers; 200

(B) The certification of community solar projects, which 201
shall include rules for the commission to approve or deny each 202
project within ninety days, unless good cause is shown for not 203
meeting the deadline, as determined by the commission; 204

(C) Prohibit removing a customer from the customer's 205
applicable customer class because the customer subscribes to a 206
project; 207

(D) Reasonably allow for the transfer and portability of 208
subscriptions, including allowing a subscriber to retain a 209
subscription to a project if the subscriber moves within the 210
same electric distribution utility's service territory; 211

(E) Modify existing interconnection standards, fees, and 212
processes as needed to facilitate the efficient and cost- 213
effective interconnection of community solar projects that allow 214
an electric distribution utility to recover reasonable 215

interconnection costs for each project. Any increase in 216
interconnection fees occurring due to such modifications shall 217
be paid by the subscriber organization; 218

(F) Provide for consumer protection in accordance with 219
existing laws and regulations, including any protections against 220
disconnection of service; 221

(G) Allow an electric distribution utility to recover 222
reasonable costs associated with administering the community 223
solar project program; 224

(H) Require electric distribution utilities to efficiently 225
connect a project to the electrical grid and to not discriminate 226
against projects or subscribers; 227

(I) Ensure projects qualifying for the program have 228
reached a milestone in the interconnection process as determined 229
by the commission, can demonstrate site control, and have 230
received all applicable non-ministerial permits; 231

(J) Require subscriber organizations to send a notice in a 232
standardized format containing information related to customer 233
enrollment to the electric distribution utility that services 234
the area where the project is sited. 235

Section 2. That existing section 4928.02 of the Revised 236
Code is hereby repealed. 237