

As Introduced

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

S. B. No. 174

**Senators Wilkin, Lang
Cosponsors: Senators Rulli, Romanchuk, Hoagland**

A BILL

To enact sections 4929.50, 4929.51, 4929.53, 1
4929.55, 4929.57, and 4929.59 of the Revised 2
Code to allow for competitive retail natural gas 3
service suppliers to offer carbon offsets to 4
customers. 5

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

Section 1. That sections 4929.50, 4929.51, 4929.53, 6
4929.55, 4929.57, and 4929.59 of the Revised Code be enacted to 7
read as follows: 8

Sec. 4929.50. As used in sections 4929.50 to 4929.59 of 9
the Revised Code: 10

(A) "Carbon offset" means an instrument certified by a 11
carbon offset registry that represents one ton of greenhouse gas 12
removed from the atmosphere by any method of mitigation 13
including: planting trees that absorb carbon dioxide, capturing 14
and burning methane gas produced by landfills or farms before 15
the methane enters the atmosphere, and improving energy 16
efficiency to reduce energy use and lower the associated carbon 17
dioxide emissions. 18

(B) "Carbon offset registry" means a nationally recognized entity that engages primarily in the development of carbon offset standards, methodologies, program registration, verification oversight, and issuance of carbon offsets, whether for profit or not. 19
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(C) "Double counting" means a retail natural gas supplier does either of the following: 24
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(1) Sells the same carbon offset to two or more customers; 26

(2) Attributes the carbon offset produced from a single method of mitigation to two or more methods of mitigation. 27
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Sec. 4929.51. A retail natural gas supplier may submit an application to the public utilities commission for approval to begin a voluntary carbon offset program that allows all customer classes to enroll and purchase carbon offsets to offset any emissions that are the result of the customer's consumption and use of natural gas utility services. 29
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Sec. 4929.53. (A) An application to begin a voluntary carbon offset program shall include the following: 35
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(1) A copy of an agreement between the retail natural gas supplier and one or more carbon offset registries that at minimum state that the carbon offsets being sold meet the necessary criteria to be considered a carbon offset and that the registry or registries will conduct regular verification to assure that the offsets are being applied correctly by the supplier; 37
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(2) A description of the types of carbon offsets the supplier will offer to customers and a description of how the supplier will prevent double counting. 44
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(B) The public utilities commission shall approve an application described in division (A) of this section once the commission has verified that the supplier is working with the carbon offset registry or registries it lists in the application. 47
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(C) An application described in division (A) of this section shall not be denied unless verification of the identified carbon registry or registries cannot be established. 52
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Sec. 4929.55. A retail natural gas supplier's voluntary carbon offset program shall include at least the following: 55
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(A) Procedures to allow for customers to opt in and out of the program; 57
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(B) Provide information on a customer's monthly natural gas utility service bill that shows the amount of emissions that have been offset due to the carbon offsets the customer receives for enrollment into the program; 59
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(C) The information described in division (B) of this section may be in the form of a certification by a carbon offset registry confirming the amount of emissions that were offset or in quantifiable units of measurements detailing that information. 63
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(D) A retail natural gas supplier shall work cooperatively with applicable natural gas companies to ensure customers receiving natural gas service through that company will see the information described in division (B) of this section on their monthly natural gas utility service bill. 68
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Sec. 4929.57. A retail natural gas supplier with a voluntary carbon offset program shall file an annual review with the public utilities commission. The annual review shall contain 73
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<u>at least the following:</u>	76
<u>(A) The name and contact information of the carbon registry or registries the supplier is working with;</u>	77
<u>(B) The type of carbon offsets available to customers;</u>	78
<u>(C) The total quantity of greenhouse gases that have been offset by the supplier's carbon offset program and that this quantity matches the total amount of carbon offsets sold to customers.</u>	79
<u>Sec. 4929.59. (A) The public utilities commission may conduct an audit of a retail natural gas supplier's voluntary carbon offset program to ensure the carbon offsets are being applied correctly to a customer's account.</u>	80
<u>(B) The commission may only conduct an audit described in division (A) of this section if the commission receives a sufficient number of customer complaints related to a carbon offset not being applied correctly, as determined by the commission.</u>	81
<u>(C) A retail natural gas supplier that is subject to an audit as described in division (A) of this section shall provide the commission any information it determines is necessary to complete the audit.</u>	82
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