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# OHIO LEGISLATIVE SERVICE COMMISSION

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## Substitute Bill Comparative Synopsis

### Sub. H.B. 6

### 133rd General Assembly

House Energy and Natural Resources

Niyah Walters, Attorney

This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (I_133_0905-12)	Latest Version (I_133_0905-14)
<b>Third Frontier Commission electric grid storage battery technology program</b>	
No provision.	Requires the Third Frontier Commission to create a program and pledge \$25 million for research of battery technology for electric grid storage. Requires the pledged funds to be used only for research in Ohio and that anything produced from the research must be manufactured in Ohio. (R.C. 184.121.)
<b>Decertification of a clean air resource or reduced emissions resource: Information supporting certification</b>	
No provision.	Allows a Clean Air Resource (CAR) or Reduced Emissions Resource (RER) to provide additional information in support of remaining

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	certified before the Ohio Air Quality Development Authority (Authority) may decertify the resource (R.C. 3706.44(B)).
<b>R.C. Chapter 119 procedure required for rulemaking</b>	
<p>Requires the R.C. Chapter 119 rule adoption procedure to be used for the following rules required to be adopted under the bill:</p> <ul style="list-style-type: none"> <li>▪ RER compliance with new certification requirements grace period;</li> <li>▪ Beginning and further implementation and further administration of the Ohio Clean Air Program (Program);</li> <li>▪ Beginning implementation of retail purchased power agreements for CARs.</li> </ul> <p>(R.C. 3706.45, 3706.50, and 4928.47.)</p>	No provision.
<b>Per-account monthly charge: Commercial customers not exceeding 45 million KWH</b>	
<ul style="list-style-type: none"> <li>▪ For the year 2020: \$15/month;</li> <li>▪ For the year 2021 and each year thereafter: \$20/month.</li> </ul> <p>(R.C. 3706.47(B)(2).)</p>	<p>Requires the Public Utilities Commission (PUCO), not later than October 1, 2019, to establish the structure and design of a per-account monthly charge that is on average:</p> <ul style="list-style-type: none"> <li>▪ For the year 2020: \$15/month;</li> <li>▪ For the year 2021 and each year thereafter: \$20/month.</li> </ul> <p>(R.C. 3706.47(B)(2).)</p>
<b>Per-account monthly charge: Industrial customers not exceeding 45 million KWH</b>	
\$250/month (R.C. 3706.47(B)(3)).	Requires the PUCO, not later than October 1, 2019, to establish the structure and design of a per-account monthly charge that is on average \$250/month (R.C. 3706.47(B)(3)).

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<b>Per-account monthly charge: Avoiding abrupt or excessive bill impacts</b>	
	Requires the PUCO to comply with the average monthly per-account charge structure and design requirements of the bill in a manner that avoids abrupt or excessive total electric bill impacts for typical commercial and industrial customers ( <i>R.C. 3706.47(C)</i> ).
<b>Reimbursement for costs to comply with renewable energy (RE) requirements</b>	
<p>Allows an electric distribution utility (EDU) to submit an application to the Authority for reimbursement, from the Ohio Clean Air Program Fund (Fund), of the following costs to comply with the RE requirements:</p> <ul style="list-style-type: none"> <li>▪ Costs prudently incurred for contractual obligations that existed prior to the effective date of the bill by an EDU in reliance on the current RE requirements;</li> <li>▪ Costs prudently incurred by an EDU associated with programs approved by the PUCO under current law RE requirements that are modified or eliminated as a result of the bill, including any costs to discontinue the program.</li> </ul> <p>(<i>R.C. 3706.47(E)</i>.)</p>	No provision.
<b>Remission of reimbursements for compliance with RE requirements</b>	
Requires that upon receipt of the reimbursement application and verification of the prudently incurred costs, the Authority must direct the State Treasurer to remit money from the Fund to the EDU as reimbursement for those RE costs ( <i>R.C. 3706.47(F)</i> ).	No provision.

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<b>Report on Federal Energy Regulatory Commission (FERC) capacity program: End-use customer participation in PJM demand response program</b>	
No provision.	Requires the PUCO report regarding FERC authorization of states to take action relating to capacity resources in the organized wholesale market to also include recommendations on how to maintain participation by end-use customers in this state in the demand response program offered by PJM Interconnection, L.L.C., or its successor organization, including how the state may consider structuring procurement for demand response that would allow demand response to satisfy a portion of the state's capacity resource obligation ( <i>R.C. 4928.46(B)(2)</i> ).
<b>Retail purchase power agreements: Consumers v. mercantile customers of an EDU</b>	
Allows consumers, through a retail purchase power agreement, to commit to satisfy a material portion of their electricity requirements from the output of a CAR, customer-sited renewable energy resource, or self-generator renewable resource ( <i>R.C. 4928.47(B)(1)</i> ).	Allows only <i>mercantile customers of an EDU</i> to do so ( <i>R.C. 4928.47(B)(1)</i> ).
<b>Retail purchase power agreements: Exempts purchaser from energy efficiency/peak demand reduction (EE/PDR) compliance charge</b>	
Allows the PUCO to exempt a consumer under a retail purchase power agreement from EE/PDR charge compliance provided the purchaser agrees to forego the benefits from compliance with the EE/PDR program ( <i>R.C. 4928.47(B)(3)</i> ).	No provision.
<b>Decoupling mechanism: Excluding program costs and shared savings from implementing EE/PDR</b>	
No provision.	Excludes EE/PDR program costs and shared savings in the creation of the decoupling mechanism and the revenue that must be recovered under the mechanism ( <i>R.C. 4928.471(A) and (B)</i> ).

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<b>Decoupling mechanism: Rate design verification</b>	
Requires the PUCO to verify that the rate schedule or schedules are designed to recover the EDU's 2018 annual revenue and that the decoupling rate design is aligned with the rate design of the EDU's existing base distribution rates ( <i>R.C. 4928.471(B)</i> ).	Requires the PUCO rate design verification to occur when the PUCO is engaged <i>in determining that an application is not unjust and unreasonable (R.C. 4928.471(B))</i> .
<b>Decoupling mechanism: Double recovery by an EDU</b>	
No provision.	Prohibits the PUCO from approving a decoupling mechanism if it determines that approval will result in double recovery by the EDU ( <i>R.C. 4928.471(D)</i> ).
<b>Sale, purchase, holding, or retirement of renewable energy credits by the Authority</b>	
No provision.	Allows the Authority to annually purchase, sell, hold, or retire any renewable energy credits produced by a renewable energy resource in Ohio with any funds remaining in the Fund after the funds are used to provide the required benefits to CARs ( <i>R.C. 4928.646</i> ).
<b>Clean air credit registry</b>	
No provision.	Requires the Authority to adopt rules to provide for this state a system of registering clean air credits by specifying that the generation attribute tracking system may be used for that purpose and not by creating a registry ( <i>R.C. 3706.483</i> ).
<b>Double recovery based on credits</b>	
No provision.	Prohibits a certified CAR that receives a clean air credit from receiving a renewable energy credit for the same megawatt hour of electricity, but clarifies that this should not be construed as to prohibit the

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	resource from purchasing or selling a renewable energy credit in another state ( <i>R.C. 3706.484</i> ).
<b>Home energy assistance programs (HEAP)</b>	
No provision.	Requires the Director of the Development Services Agency, beginning in FY 2021 and each year thereafter, to submit in each fiscal year a completed waiver request in accordance with federal law to the U.S. Department of Health and Human Services and any other applicable federal agencies for the state to expend 25% of federal low-income HEAP funds from the home energy assistance block grants for weatherization services allowed under federal law to the U.S. Department of Health and Human Services ( <i>R.C. 4928.75</i> ).
<b>Wind farms under 20 megawatts placed under local control</b>	
No provision.	<p>Expands the definition of “small wind farm” (beyond the aggregate capacity limit of 5 megawatts for turbines and associated facilities) and contracts the definition of “economically significant wind farm” (to remove wind turbines and associated facilities from the 5 to under 50 megawatt aggregate capacity limit), with the effect that if one or more wind turbines and associated facilities meet both of the following requirements, they will be subject to local regulation of their placement and operation by counties, townships, and municipal corporations:</p> <ul style="list-style-type: none"> <li>▪ They are primarily dedicated to providing electricity to a single customer at a single location;</li> <li>▪ They are designed for, or capable of, operation at an aggregate capacity of less than 20 megawatts.</li> </ul> <p>(<i>R.C. 303.213, 519.213, 713.081, and 4906.13.</i>)</p>

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<b>Property tax exemption for qualified energy projects</b>	
No provision.	Modifies the requirements for obtaining a property tax exemption for a qualified energy project by applying them to projects with a nameplate capacity of 20 megawatts or more (under current law, for example, a project of 5 megawatts or more must receive county board of commissioners' approval; a project of 2 megawatts or more must participate in a workforce development program for wind and solar energy industries). Applies the change to new projects and existing projects with name plate capacities of less than 5 megawatts. <i>(R.C. 5727.75; Section 6.)</i>
<b>Adding members of the general public to the Authority</b>	
No provision.	Adds two members of the general public to the Authority, one appointed by the President of the Senate, and one appointed by the Speaker of the House of Representatives, who are to be voting members, receive no compensation, and have a term of four years. Provides that the two general public members are exempt from the surety bond requirement imposed on certain other Authority members. <i>(R.C. 3706.02(B) and (D).)</i>
<b>Definitions: Reduced emissions resource</b>	
No provision.	Expands the definition to also include an electric generating facility that emits any other regulated air pollutant under the federal Clean Air Act <i>(R.C. 3706.40(B)).</i>

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<b>Definitions: Net metering system</b>	
No provision.	Clarifies the current law definitional requirement that the facility for electrical energy production “is intended primarily to offset part or all of the customer-generator requirements for electricity” by adding “[f]or an industrial customer-generator with a net metering system that has a capacity of less than 20 megawatts and uses wind as energy, this means the net metering system was sized so as to not exceed 100% of the customer-generator’s annual requirements for electric energy at the time of interconnection” ( <i>R.C. 4928.01</i> ).