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# OHIO LEGISLATIVE SERVICE COMMISSION

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## Substitute Bill Comparative Synopsis

**Sub. H.B. 15**

**136<sup>th</sup> General Assembly**

House Energy

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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_136_0688-3)	Latest Version (I_136_0688-5)
<b>Brownfield Remediation Program: priority investment area eligible projects</b>	
No provision.	Defines “priority investment area eligible project” to mean certain activities that are necessary or conducive for generating, transporting, storing, or transmitting electricity at the site of a brownfield or former coal mine located in a priority investment area; allows for such projects to receive grants under the existing law Brownfield Remediation Program; and limits the amount such a project can receive in a grant to \$10 million ( <i>R.C. 122.6511(A)(5), (B)(1), and (3)</i> ).

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<b>Priority investment area property tax incentive</b>	
Reduces the assessment percentage on tangible personal property used to transport or transmit electricity or natural gas that is placed into service in a priority investment area from 25% to 7% for five years ( <i>R.C. 5727.76</i> ).	Completely exempts that property for five years ( <i>R.C. 5727.76</i> ).
<b>Refunds for utility charges</b>	
Requires that all charges paid by customers to a public utility that are later found to be unreasonable, unlawful, imprudent, or otherwise improper by the Public Utilities Commission (PUCO) or the Supreme Court be promptly refunded to the customers who paid the charges, but exempts any charge authorized under the legacy generation resource (LGR/OVEC) provisions repealed by the bill ( <i>R.C. 4905.321</i> ).	Requires that all revenues collected from customers by a public utility as part of a rider or rates that are later found to be unreasonable, unlawful, imprudent, or otherwise improper by the Supreme Court be subject to refund from the date of the issuance of the Court’s decision when, on remand, PUCO makes changes to the rider or rates to implement the Court’s decision, and also requires, not more than 30 days after the issuance of the Court’s decision, for PUCO to order the refunds in a manner designed to allocate the refunds to customer classes in the same proportion as the charges were originally collected and determine how to allocate any remaining funds that cannot be refunded ( <i>R.C. 4905.321</i> ).
<b>Accelerated review of transmission lines</b>	
Changes each requirement for electric transmission lines, any one of which a line must meet to qualify for accelerated review of a Power Siting Board (PSB) certificate application, by (1) reducing the maximum length requirement from two miles to one mile, (2) applying the new “two to one mile” length requirement to the requirements that the line be primarily needed for specific customers or be a rebuild of an existing line, and (3) requiring that the line be necessary to maintain	No provision.

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reliable service, but only if it is a direct result of an Ohio electric generating facility shutdown or retirement ( <i>R.C. 4906.03(F)</i> ).	
<b>Automatic certification within 180 days of accelerated review petitions for certain generating facilities, transmission lines, and gas pipelines</b>	
Requires PSB rules for automatic certification of accelerated applications for certain electric generating facilities using waste heat or natural gas, gas pipelines shorter than five miles for specific customers, and transmission lines modified by the bill (as discussed above) within 180 days (instead of 90 days as provided in current law) if the application had not been suspended ( <i>R.C. 4906.03(F)</i> ).	No provision.
<b>Parties to PSB certificate proceeding for transmission lines</b>	
<p>Provides, for a PSB proceeding regarding a certificate for an electric transmission line or associated facilities, the following:</p> <ul style="list-style-type: none"> <li>▪ Requires the Ohio Consumers' Counsel (OCC) to be a party in the proceeding (<i>R.C. 4906.08(A)(4)</i>).</li> <li>▪ Allows any other person who may be adversely affected by the proceeding (includes OCC, any mercantile customer located in Ohio, or any group or association representing the interests of such mercantile customers) to intervene, provided that the person files a motion to intervene with PSB no later than the deadline established by PSB order or, if a deadline is not established, five days prior to the hearing date (<i>R.C. 4906.08(B)</i>).</li> </ul>	No provision.

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<b>Three-year forecasted test period</b>	
No provision.	Requires each true-up process that takes place after each of the three 12-month periods during an electric light company's three-year forecasted test period to take into account the rate of return that the utility projects to earn on investments, and further requires the utility to provide PUCO with actual financial information during the true-up process to ensure accuracy ( <i>R.C. 4909.15(C)(1)(a)</i> ).
<b>Self-generators</b>	
Modifies the definition of "self-generator" in the competitive retail electric service law to include an entity in Ohio that owns or hosts an electric generation facility on property the entity controls that is installed or operated by a third party under a contract, including a lease, purchase power agreement, or other service contract ( <i>R.C. 4928.01(A)(32)</i> ).	Adds that the facility must also: (1) connect directly to the owner's side of the electric meter, (2) deliver electricity to the owner's side of the electric meter without the use of an electric distribution utility (EDU) or electric cooperative's distribution or transmission system, and (3) the facility is placed into service after the bill's effective date ( <i>R.C. 4928.01(A)(32)</i> ).
<b>Provision of a competitive retail electric service (CRES) by an electric utility</b>	
Specifies that the prohibition against an electric utility providing a CRES that was deemed so prior to the bill's effective date does not apply to provisions of law that require EDUs to provide the standard service offer (SSO) under a market-rate offer (MRO) ( <i>R.C. 4928.041(A)</i> ).	Specifies that the prohibition does not apply to provisions of law allowing special contracts between public utilities and certain other customers ( <i>R.C. 4905.31</i> ), and the entirety of competitive retail electric service law in Chapter 4928 of the Revised Code ( <i>R.C. 4928.041(A)</i> ).
<b>SSO cost recovery mechanism</b>	
No provision.	Requires PUCO to adopt, for each EDU that provides customers with a SSO priced through an MRO, a cost recovery mechanism relating to transmission, ancillary, congestion, or any related service required for such SSO, including provisions for the recovery of any cost of such

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	service that the EDU incurs pursuant to the SSO, and further makes the cost recovery mechanism nonbypassable if the EDU is the load serving entity for shopping load (R.C. 4928.05(B)(1)).
<b>Transmission line extensions</b>	
Prohibits an electric utility from imposing, on nonresidential customers for line extensions or new customer service, additional rates, cost recovery mechanisms, joint rates, tolls, classifications, charges, or rentals through a rate case or credit requirements or costs for upgrades to the transmission system, unless the utility demonstrates that a material transmission constraint exists that directly impacts a customer requesting service (R.C. 4928.151(D)).	No provision.
<b>Mercantile customer self-power system: date system is placed in service</b>	
No provision.	Adds a requirement, under the definition of “mercantile customer self-power system,” that the system must be placed into service after the bill’s effective date (R.C. 4928.73(A)(2)(e)).
<b>Mercantile customer self-power system: classification and jurisdiction</b>	
Provides that a mercantile customer self-power system is not considered a noncompetitive retail electric service, retail electric service, or competitive retail electric service pursuant to the competitive retail electric service law or an electric service under Ohio law relating to general authority of public utilities (Chapter 4933 of the Revised Code), and is not subject to PUCO jurisdiction or supervision (R.C. 4928.73(E)).	No provision.

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<b>Mercantile customer self-power system: electric suppliers</b>	
Provides that owning, operating, or using a mercantile customer self-power system, or that a mercantile customer member's power purchase agreement, lease, or other contractual arrangement with an entity for such a system, does not violate an electric supplier's exclusive right to furnish electric service to all load centers located presently or in the future within its certified territory ( <i>R.C. 4928.73(F)</i> ).	No provision.
<b>Circuit hosting capacity maps</b>	
Requires each EDU in the state, not later than December 31, 2027, to publish one or more circuit hosting capacity maps that meet certain requirements to be made externally available on each EDU's website, and must be updated at least quarterly ( <i>R.C. 4928.87</i> ).	No provision.
<b>Electric service from not-for-profit electric supplier under certified territory law</b>	
Excludes from being considered an "electric service" for purposes of the certified territories law retail electric service provided by a not-for-profit electric supplier to any new electric load centers going into service after the bill's effective date <b>that use</b> retail electric service from a mercantile customer self-power system or self-generator ( <i>R.C. 4933.81(F)</i> ).	Excludes from being considered an "electric service" for purposes of the certified territories law retail electric service provided by a not-for-profit electric supplier <b>for</b> any new electric load centers going into service after the bill's effective date retail electric service from a mercantile customer self-power system or self-generator ( <i>R.C. 4933.81(F)</i> ).
<b>Community energy facility: bill credits</b>	
Requires PUCO, when determining the bill credit for each EDU, to <i>consider</i> certain factors ( <i>R.C. 4934.08(D)</i> ).	Requires PUCO <i>take into account</i> those factors ( <i>R.C. 4934.08(D)</i> ).

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<b>Application of tangible personal property (TPP) tax reductions</b>	
Reduces the TPP assessment percentage on electric generation, transmission and distribution, and energy conversion property and pipe-line company property for such property placed into service on or after the last day of the year that includes the bill's effective date ( <i>R.C. 5727.111</i> ).	Same, except applies the reductions to such property first subject to taxation in Ohio in or after tax year 2027 ( <i>R.C. 5727.111; Section 8</i> ).
<b>Energy company TPP tax reduction</b>	
Inadvertently increases the assessment percentage applicable to existing energy conversion property of an energy company from 24% to 85% ( <i>R.C. 5727.111(H)</i> ).	Corrects the error, maintaining the 24% rate for such property ( <i>R.C. 5727.111(H)</i> ).
<b>Energy storage property TPP taxation</b>	
Classifies TPP capable of storing and releasing energy as production equipment and energy conversion equipment, which may qualify for the bill's TPP assessment rate reduction, discussed above, starting for tax years beginning after the bill's effective date ( <i>R.C. 5727.01; Section 8</i> ).	Similar, except applies the reclassification to TPP that permits the storage of energy for future electricity use and commences the reclassification in tax year 2027 ( <i>R.C. 5727.01; Section 8</i> ).
<b>Converted or repowered electric TPP</b>	
Reduces the TPP assessment percentage on electric generation TPP placed into service before the bill's effective date, but that was either repowered for the production of energy or converted to produce electricity in a new manner ( <i>R.C. 5727.111</i> ).	Similar, except applies the reduction to generation TPP first subject to tax before tax year 2027 that either had its fuel input switched from one energy source to another ("converted") or is upgraded or replaced with new technology to increase efficiency and reliability ("repowered") ( <i>R.C. 5727.111</i> ).