



Sub. S.B. 298*

126th General Assembly
(As Reported by S. Energy and Public Utilities)

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BILL SUMMARY

- Articulates a state policy regarding energy usage, development, production, conservation, and efficiency.
- Requires each state agency to implement the policy in carrying out its duties under Ohio law.
- Requires state agencies, with particular direction to agencies that deal with energy issues, to coordinate their activities relating to the policy with other state agencies.

CONTENT AND OPERATION

State energy policy

Energy policy historically

While a number of state agencies carry out statutorily imposed duties relating to energy, Ohio statutes do not contain a comprehensive energy policy statement. In 1974, a Task Force on Energy, commissioned by then-Lieutenant Governor John Brown in part to recommend a coordinated state energy policy, issued a report with recommendations on specific energy issues. In 1994, the Ohio Energy Strategy Task Force created by then-Governor George Voinovich pursued an interagency and public information-gathering process that resulted in the Public Utilities Commission (PUCO) and numerous other state agencies, together with the Ohio House of Representatives, formulating a state energy policy and identifying initiatives and strategies to implement the policy. In April 2002,

* *This analysis was prepared before the report of the Senate Energy and Public Utilities Committee appeared in the Senate Journal. Note that the list of co-sponsors and the legislative history may be incomplete.*

the House Public Utilities Committee and House Energy and Environment Committee combined as the House Energy Policy Committee to evaluate the state's energy resources and delivery systems. The Committee issued a report of recommended changes to specific policies early in 2003.

Bill's policy statement

(R.C. 156.10(B))

The bill articulates a state energy policy that, in a stated effort to stabilize energy prices and increase energy independence in Ohio, has 14 objectives as follows:

- (1) Support the exploration of natural gas, coal, and oil resources in Ohio and evaluate the related funding needs, possible funding sources, and accessibility of related data;
- (2) Support Ohio coal use and the development of environmentally and technologically feasible clean coal technologies, including gasification processes, base load generation, and other advanced energy systems;
- (3) Ensure access to affordable and reliable natural gas service and support Ohio natural gas use;
- (4) Support the development of environmentally sound, innovative electric generation facilities, diverse energy supplies, and viable technologies to increase production, consumption, and availability of ethanol, biomass, solar, geothermal, nuclear, wind, hydroelectric, and other renewable energy sources throughout Ohio, and remove regulatory barriers that inhibit such development;
- (5) Examine the feasibility of a renewable energy portfolio standard;
- (6) Examine the use of sustainable practices in energy efficiency and conservation, encourage the production and use of energy-efficient products, and examine the use of state incentive programs for that purpose;
- (7) Examine the status of the competitive electricity market, including the wholesale market;
- (8) Examine short- and long-term electric generation needs, the reporting by electric utilities of forecasts of long-term demand needs, and the condition of existing electric generating facilities in Ohio;
- (9) Examine the development of distributed generation in Ohio, including access to electric transmission and distribution lines;

(10) Consider appropriate income eligibility standards for energy assistance programs;

(11) Encourage the use of fuel efficient motor vehicles in Ohio, including new motor vehicles purchased for use by state agencies;

(12) Examine expanding and encouraging alternative transportation options for passengers and freight in Ohio;

(13) Encourage state agencies owning real property to develop a natural resources management plan for the property;

(14) Encourage cooperation and accessibility of information between interested parties and state agencies to implement the state energy policy.

State agency duties

(R.C. 156.10(C))

The bill requires each state agency¹ to implement the state energy policy in carrying out its obligations under Ohio law. The bill also requires, to the fullest extent possible, each state agency, with particular direction to the Department of Development, the Public Utilities Commission, the Power Siting Board, the Ohio Coal Development Office, the Office of Energy Services, the Environmental Protection Agency, and the Department of Natural Resources, to coordinate its activities relating to the policy with other state agencies to aid in its promotion and implementation.

HISTORY

ACTION	DATE
Introduced	03-21-06
Reported, S. Energy & Public Utilities	---

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¹ "State agency" means every organized body, office, or agency established by the laws of the state for the exercise of any function of state government (R.C. 1.60).