



Ohio Legislative Service Commission

Russ Keller

Fiscal Note & Local Impact Statement

Bill: [H.B. 312 of the 130th G.A.](#)

Date: January 21, 2014

Status: As Introduced

Sponsor: Rep. Johnson

Local Impact Statement Procedure Required: Yes

Contents: Permits a public utility electric light company to recover costs of an economic and job retention program from all public utility electric light customers in Ohio

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- Potential increase in expenditures to counties, municipalities, townships, and school districts. The amount of the increase, if any, depends on the economic and job retention program costs approved for recovery from customers.

Detailed Fiscal Analysis

H.B. 312 permits a public utility electric light company to file a schedule or establish or enter into a reasonable arrangement to recover costs incurred in conjunction with any economic development and job retention program of the utility from all public utility electric light company customers in Ohio, including recovery of revenue foregone as a result of any such program. Under current law, a public utility electric light company may recover costs incurred in conjunction with such a program only "within its certified territory."

Under H.B. 312, the economic development and job retention program must be approved before January 1, 2018. Upon that date, all future applications, modifications, or extensions cannot be approved by the Public Utilities Commission (PUCO). However, all prior arrangements will be honored after January 1, 2018, which includes riders paid by customers that extend beyond January 1, 2018.

Fiscal effect

The cost of an economic development and job retention program will be spread over a wider customer base, which will reduce costs for some customers at the expense of others. The number and magnitude of these economic development riders depends on the regulatory approval of PUCO. It is uncertain what utilities will seek in terms of economic development riders over the forthcoming four years, and it also is uncertain how many of these riders will be approved by PUCO.