PUBLIC UTILITIES COMMISSION

Electric infrastructure development (VETOED)

- Would have permitted an electric distribution utility (EDU), prior to beginning an infrastructure development, to apply to PUCO for approval of an infrastructure development application for an economic development project (a land development of at least ten contiguous acres with the potential for commercial or industrial development but without adequate electric distribution service from an EDU).
- Would have permitted PUCO to approve such an application, if the infrastructure development would have been necessary to support or enable a state or local economic development project.
- Would have allowed PUCO, for an application, to approve the collection of certain infrastructure development costs using funds from either (but not both) (1) disbursements from the All Ohio Future Fund or (2) a rider or rate mechanism under the public utility ratemaking or competitive retail electric service laws.

Natural gas companies

 Expands what is included as "natural gas" for purposes of determining entities that are natural gas companies under public utilities law.

Natural gas distribution service instrumentalities and facilities

 Expands the property, equipment, or facilities installed or constructed by a natural gas company that may be treated as instrumentalities and facilities for distribution service after PUCO approval.

Electric infrastructure development (VETOED)

(R.C. 4928.85 to 4928.89)

The Governor vetoed the electric infrastructure development provision that would have permitted an electric distribution utility (EDU) to file an application with PUCO for approval of infrastructure development necessary for a state or local economic development project (a land development of at least ten contiguous acres with the potential for commercial or industrial development but without adequate electric distribution service from an EDU). The provision would have required the EDU, prior to beginning the infrastructure development, to file, and receive PUCO approval for, the application and would have permitted PUCO to approve an infrastructure development application, if the infrastructure development would have been necessary to support or enable the project. For such applications, PUCO would have had the authority to approve the collection of certain infrastructure development costs from either (1) a disbursement from the All Ohio Future Fund or (2) a rider or rate mechanism under the public utility ratemaking law or an electric security plan under the competitive retail service law. But, it would have prohibited using funds from both of these sources for the cost collection. A detailed description of the vetoed provisions is available on pages 562 to 564 of <u>LSC's</u> <u>analysis of H.B. 33, As Passed by the Senate (PDF)</u>. The analysis is available online at the Legislation tab of the General Assembly's website at <u>legislature.ohio.gov</u>.

Natural gas companies

(R.C. 4905.03)

The act expands what is included as "natural gas" for purposes of determining entities that are natural gas companies under public utilities law. Continuing law defines a person, firm, copartnership, voluntary association, joint-stock association, company, or corporation, wherever organized or incorporated, as a "natural gas company" when engaged in the business of supplying natural gas for lighting, power, or heating purposes to consumers within Ohio. The act provides that "natural gas" includes natural gas that has been processed to enable consumption or to meet gas quality standards or that has been blended with propane, hydrogen, biologically derived methane gas, or any other artificially produced or produced gas.

Natural gas distribution service instrumentalities and facilities

(R.C. 4929.18)

The act expands the property, equipment, or facilities installed or constructed by a natural gas company that may be treated as instrumentalities and facilities for distribution service, if PUCO determines that treatment is just and reasonable, to include:

- Property, equipment, or facilities to enable the blending of biologically derived methane gas (under continuing law, this is gas from the anaerobic digestion of organic materials, including animal waste and agricultural crops and residues¹³¹) to consumers in Ohio.
- Property, equipment, or facilities to enable interconnection with or receipt from any property, equipment, or facilities used to generate, collect, gather, or transport hydrogen, or to enable the blending of hydrogen with natural gas for supply to consumers in Ohio.

The act also provides that the property, equipment, or facilities described above that are determined to be just and reasonable by PUCO must be considered used and useful in rendering public service for purposes of determining reasonable public utility rates.

¹³¹ R.C. 5713.30(H), not in the act.