



www.lsc.ohio.gov

# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

H.B. 264  
135<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsors:** Reps. Pizzulli and Johnson

Rocky Hernandez, Attorney

### SUMMARY

- Includes a facility that produces and uses steam, or transfers it, from recovered waste heat from a manufacturing process to another manufacturing process or to generate electricity as a “waste energy recovery system” for purposes of the renewable energy resource portfolio standards, renewable energy credits, advanced energy program, and energy efficiency program under the Competitive Retail Electric Service Law.

### DETAILED ANALYSIS

#### Waste energy recovery systems

The bill includes “[a] facility that produces steam from recovered waste heat from a manufacturing process and uses that steam, or transfers that steam to another facility, to provide heat to another manufacturing process or to generate electricity” under the current law definition of a “waste energy recovery system (WERS).”<sup>1</sup>

#### Renewable energy

The bill’s inclusion of that type of facility as a WERS makes it a “renewable energy resource” if the facility was placed into service or retrofitted on or after September 10, 2012, and was not included in an electric distribution utility’s (EDU’s) energy efficiency (EE) program on or after January 1, 2012. This change lets the facility qualify, if certain other conditions are met, as a “qualifying renewable energy resource” for purposes of complying with the renewable energy portfolio standards and earning renewable energy credits under the Competitive Retail Electric Service Law.

<sup>1</sup> R.C. 4928.01(A)(38)(c).

It would also allow the facility to be the subject of an agreement by an EDU and a mercantile customer, or group of mercantile customers, for the construction of a customer-sited renewable energy resource that would provide power to the mercantile customer(s) facilities.<sup>2</sup>

### **Advanced energy**

The facility added as a WERS also becomes an “advanced energy resource” under the condition that it has not been included in an EE program by an EDU. The resource, therefore, may be an “advanced energy project” that qualifies for financial, technical, and other types of assistance under the advanced energy program and from an advanced energy manufacturing center.<sup>3</sup>

### **Energy efficiency**

The facility also can be included in an EDU’s EE program under the EE portfolio provisions in the Competitive Retail Electric Service Law if, as a WERS, it was placed into service or retrofitted on or after September 10, 2012. However, it is not clear what effect this will have as the EE portfolio requirements have since terminated.<sup>4</sup>

---



---

## **HISTORY**

Action	Date
Introduced	09-12-2023

ANHB0264IN-135/ts

---

<sup>2</sup> R.C. 4928.01(A)(37)(a); R.C. 4928.47, and 4928.64 to 4928.65, not in the bill.

<sup>3</sup> R.C. 4928.01(A)(25) and (34); R.C. 4928.62 and 4928.621, not in the bill.

<sup>4</sup> R.C. 4928.66(A), (F), and (G), not in the bill. [\*In the Matter of the Application of Ohio Power Company for approval of its EE/PDR Program Portfolio Plan for 2017 through 2020, Case No. 16-0574-EL-POR, February 24, 2021.\*](#)