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# OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research  
and Drafting

Legislative Budget  
Office

**S.B. 118**  
**134<sup>th</sup> General Assembly**

## **Fiscal Note & Local Impact Statement**

[Click here for S.B. 118's Bill Analysis](#)

**Version:** As Introduced

**Primary Sponsor:** Sen. Romanchuk

**Local Impact Statement Procedure Required:** No

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### **Highlights**

- The bill repeals the qualifying renewable resource credit payment provisions that were enacted under H.B. 6 of the 133<sup>rd</sup> General Assembly. Thus, retail electric customers in the state, including the state and political subdivisions, would not be charged up to \$20 million per year, from 2021 through 2027.

### **Detailed Analysis**

The bill repeals the legal basis for payments and collections related to the qualifying renewable resource credit enacted under H.B. 6 of the 133<sup>rd</sup> General Assembly. Under current law, based on rules and methods determined by the Public Utilities Commission of Ohio (PUCO), an electric distribution utility (EDU) is allowed to collect through surcharges from all of its retail electric customers in Ohio a total of up to \$20 million per year from January 1, 2021, through December 31, 2027. The collections must be deposited into the Renewable Generation Fund, a new fund created under H.B. 6 and administered by the Ohio Air Quality Development Authority (OAQDA); the fund is a custodial fund, not a fund in the state treasury. Revenue to the fund was to be used to pay for qualifying renewable resource credits, issued to owners and operators of qualifying solar generation facilities. Owners or operators of such facilities were permitted to apply to OAQDA, not later than February 1, 2020, to receive payments for such credits. The surcharges were put on hold due to a court decision.<sup>1</sup>

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<sup>1</sup> On December 21, 2020, a Franklin County Common Pleas Court judge put on hold the collection of subsidies under H.B. 6, including the surcharges of up to \$20 million per year that would be used for qualifying renewable resource credit payments.

## **Fiscal effect**

The bill would reduce OAQDA's administrative costs related to the credit program.<sup>2</sup> In addition, the bill codifies part of the court decision referred to above, which reduces charges paid by electric retail customers in Ohio, including the state and political subdivisions, by up to \$20 million per year, from 2021 through 2027. It reduces revenue to the Renewable Generation Fund by \$20 million per year during that time, and reduces payments from the fund to qualifying solar generation facilities by the same amount.

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<sup>2</sup> H.B. 6 did not provide any appropriations related to such administrative cost.