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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

H.B. 197
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 197's Bill Analysis](#)

Version: As Introduced

Primary Sponsors: Reps. Hoops and Ray

Local Impact Statement Procedure Required: No

Michael Kerr, Budget Analyst

Highlights

- The bill adds provisions to state electric policy relating to community solar facilities and establishes a Community Solar Pilot Program (CSPP) and Solar Development Program (SDP) to be implemented by the Public Utilities Commission of Ohio (PUCO).
- The bill requires PUCO to promulgate and administer rules to implement the CSPP and SDP within six months following the legislation's effective date, likely increasing the Commission's administrative costs.
- Minimal cost to the Department of Development is expected from the provision in the bill requiring the agency to promulgate rules to award grants to community solar facilities on brownfield sites eligible under the Brownfield Remediation Program.
- Four years after rules for the CSPP and SDP are established, the bill requires PUCO to conduct reviews of both programs and submit a report of its findings to the General Assembly.

Detailed Analysis

The bill amends state electric energy policy to encourage the development of community solar facilities. A Community Solar Pilot Program (CSPP) consisting of 1,500 megawatts (MW) of capacity implemented among community solar facilities statewide, 500 MW of which is exclusively allocated to distressed sites, and a Solar Development Program (SDP) consisting of 250 MW of capacity implemented in the Appalachian region of Ohio are established in the bill. The Public Utilities Commission of Ohio (PUCO) is placed in charge of promulgating and administering rules regarding the establishment of the CSPP and SDP within six months of the effective date of the bill. Under provisions of the bill, PUCO may certify over a hundred community solar facilities. Four years following the establishment of such rules, PUCO is required

to conduct reviews of both programs and submit a report of its findings to the General Assembly. Increased administrative costs to PUCO from these requirements is expected; however, LBO is uncertain whether these new duties could be handled by existing staff. Any additional costs would likely be paid from PUCO's largest operating expense appropriation line item, Dedicated Purpose Fund (DPF) item 870622, Utility and Railroad Regulation.

Minimal cost is expected from the provision in the bill requiring the Department of Development to promulgate rules to award grants to community solar facilities eligible under the Brownfield Remediation Program. The grants and associated administrative costs from the provision of such awards are paid from DPF item 1956A2, Brownfield Remediation.

The bill also requires PUCO to establish consumer protections for subscribers to community solar facilities and ensure that any costs associated with either the CSPP or SDP only be recovered from customer classes participating in the program, with no cross-subsidization of costs between customer classes.