



OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

Substitute Bill Comparative Synopsis

Sub. H.B. 427

136th General Assembly

House Energy

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This table summarizes how the latest substitute version of the bill differs from the immediately preceding version. It addresses only the topics on which the two versions differ substantively. It does not list topics on which the two bills are substantively the same.

Previous Version (As Introduced)	Latest Version (I_136_1744-6)
Demand response program cost effectiveness evaluation	
Requires the Public Utilities Commission (PUCO) to evaluate each demand response program (DRP) to determine if it is cost-effective for customers by considering all of the following: <ul style="list-style-type: none">▪ The need for demand reduction based on capacity prices;▪ The long-term savings to the grid;▪ Any other factors PUCO deems appropriate (<i>R.C. 4928.106(C)(1)</i>).	Modifies the considerations that PUCO must make when evaluating DRP cost-effectiveness by: <ul style="list-style-type: none">▪ Adding consideration of the need for demand reduction based on energy prices;▪ Adding consideration of impact to reliability of the grid;▪ Removing consideration of the long-term savings to the grid (<i>R.C. 4928.106(C)(1)</i>).

Previous Version (As Introduced)	Latest Version (I_136_1744-6)
“Participate in” vs “opt in” to programs	
Describes customers as “participating in” the DRPs (<i>R.C. 4928.106(D) to (F), and (H)</i>).	Describes customers as “opting in” to the DRPs (<i>R.C. 4928.106(D) to (F), and (H)</i>).
Air conditioner temperature actions to reduce customer’s load at peak times	
Specifies that allowable actions that an electric distribution utility (EDU) may take to reduce the load at peak times of a customer participating in a DRP includes increasing the temperature on the customer’s air conditioner (<i>R.C. 4928.106(E)</i>).	Adds that an EDU’s allowable actions to reduce a participating customer’s load at peak times also include decreasing the temperature on the customer’s air conditioner (<i>R.C. 4928.106(E)(1)</i>).
No EDU action without customer opt-in	
No provision.	Specifies that an EDU cannot take actions pursuant to its DRP to reduce a customer’s load at peak times if the customer did not opt-in to the program (<i>R.C. 4928.106(E)(2)</i>).
Demand response reductions into capacity market	
Allows an EDU or competitive retail electric service (CRES) provider to “bid” the demand response reductions from the EDU’s DRP into the capacity market of the regional transmission organization approved by the Federal Energy Regulatory Commission and responsible for maintaining reliability in Ohio to offset DRP costs (<i>R.C. 4928.106(I) and (J)</i>).	Instead allows an EDU or CRES provider to “offer” demand response reductions into such capacity market (<i>R.C. 4928.106(I) and (J)</i>).

Previous Version (As Introduced)	Latest Version (I_136_1744-6)
Demand response program incentives	
Allows PUCO to approve a performance incentive for an EDU with a voluntary DRP based on savings the program generates <i>(R.C. 4928.106(K))</i> .	States that an EDU with a voluntary DRP is entitled to retain not more than 6% of revenues earned from offering demand response reductions into the capacity market <i>(R.C. 4928.106(K))</i> .
EDU customer data to CRES providers	
No provision.	Requires an EDU to provide the data of an EDU customer who is also a CRES provider customer to the CRES provider in a standard format, and as determined by PUCO, a safe format, and as close to real time as possible <i>(R.C. 4928.107)</i> .
CRES customer bill format	
No provision.	Permits a certified CRES provider to choose a mechanism for the provider's customers to receive electric bills (either separate bills from the CRES provider and the EDU or one consolidated bill), and requires each EDU to include a request that PUCO approve a consolidated bill format in the EDU's next rate case application. Requires PUCO to adopt rules governing the billing mechanism requirements. <i>(R.C. 4928.108.)</i>