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Bill Analysis

Legislative Service Commission

S.B. 213

127th General Assembly
(As Introduced)

Sens. Mason, Boccieri, Cafaro, Fedor, Kearney, D. Miller

BILL SUMMARY

- Requires the Director of Administrative Services to ensure that the purchase of a portion of the total electricity supply for all state agencies is from renewable energy systems located in Ohio, starting with 10% in fiscal year 2011 and topping at 25% in fiscal year 2025 and thereafter.

CONTENT AND OPERATION

Renewable energy use by state agencies

The bill requires the Director of Administrative Services to ensure that the purchase of at least a portion of the total electricity supply for all state agencies is from one or more renewable energy systems located in this state. To make sure that this requirement is met, the bill establishes a per fiscal year percentage requirement and charges the Director of Administrative Services to coordinate state agencies' contracting with electric utilities or electric service companies and requires state agencies to cooperate with the Department.

The bill sets per fiscal year the specific percentages of all state agencies' total retail electric purchases that must come from renewable energy systems. The requirement begins in the 2011 fiscal year. For the fiscal years of 2011 to 2019, 10% of this energy must come from renewable energy systems; for the fiscal years of 2020 to 2024, 20%; and for fiscal year 2025 and each subsequent fiscal year thereafter, 25%. For the purpose of the renewable energy system purchase requirement, the total retail electric purchases for a fiscal year by all state agencies is to be determined by calculating the average total retail electric purchases in kilowatt hours of all state agencies during each of the immediately preceding three fiscal years.

Definitions

For purposes of the bill, a "state agency" means every organized body, office, or agency established by Ohio law to exercise any function of state government except institutions of higher education.

A "renewable energy system" is either a photovoltaic technology system or a facility or energy system that uses renewable energy and transmits or distributes electricity from that renewable energy in one of two specific methods. The first method is through a power line dedicated to the transmission or distribution of electricity generated from renewable energy only and connected to a facility or system owned, operated, or controlled by an electric light company. The second method is through a power line shared with not more than one facility or energy system generating electricity from nonrenewable energy that is connected to a facility or system owned, operated, or controlled by an electric light company.

The bill defines "renewable energy" as (1) energy from biomass that is available on a renewable basis, (2) geothermal energy, (3) energy produced by a photovoltaic technology system, (4) wind energy, or (5) energy from a hydroelectric facility that produces less than 20 megawatts of electricity and is certified on or after three years following the bill's effective date as a low-impact hydropower facility by the Low-Impact Hydro Institute.¹ "Renewable energy" expressly excludes nuclear energy and energy produced from coal, natural gas, oil, propane, or any other fossil fuel.

The bill further defines "biomass" as any organic matter, including any organic material from a plant that is grown (1) to be used exclusively in electricity production and (2) on land that was in crop production on the bill's effective date or is protected under the federal Conservation Reserve Program,² provided the planting does not adversely affect the water quality protection, soil erosion prevention, or wildlife habitat enhancement purposes of that program. "Biomass" also includes any solid, nonhazardous, cellulosic waste that is derived from waste

¹ According to its web site at <<http://www.lowimpacthydro.org/>>, "the Low Impact Hydropower Institute (LIHI) is a non-profit 501(c)(3) organization dedicated to reducing the impacts of hydropower generation through the certification of environmentally responsible, 'low impact' hydropower." Additional information about the Institute and its voluntary certification program can be found at <<http://www.lowimpacthydro.org/documents/faq.pdf>> and at other locations on its web site.

² This is a program of the U.S. Department of Agriculture's Farm Service Agency and described as providing financial assistance for long-term, resource conserving covers on eligible farmland. See <www.ers.usda.gov/publications/arei/ah712/AH7126-3.pdf> for more information.

pallets, crates, dunnage, or landscape or right-of-way tree trimmings; from agricultural sources including orchard tree crops, vineyards, grains, legumes, or sugar; or from any crop byproducts or residues. "Biomass" specifically excludes forestry resources; agricultural resource waste necessary for maintaining soil fertility or for preventing erosion; municipal or unsegregated waste or garbage; or paper that is commonly recycled.

An "electric utility" generally is a for-profit business that supplies at least a noncompetitive retail electric service in Ohio. An "electric services company" is a for-profit or not-for-profit business supplying or arranging for the supply of only a competitive retail electric service in Ohio and includes a power marketer, power broker, aggregator, or independent power producer, but excludes an electric cooperative, municipal electric utility, governmental aggregator, or billing and collection agent. Both terms exclude a self-generator to the extent it consumes or sells for resale electricity it produces.

HISTORY

ACTION	DATE
Introduced	09-18-07

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