



Ohio Legislative Service Commission

Revised

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Fiscal Note & Local Impact Statement

Bill: Sub. H.B. 87 of the 128th G.A.

Date: November 18, 2009

Status: As Reported by House Finance & Appropriations

Sponsor: Rep. Phillips

Local Impact Statement Procedure Required: No — No local cost

Contents: Creates the Ohio Energy Resource Center

State Fiscal Highlights

STATE FUND	FY 2010	FY 2011	FUTURE YEARS
Advanced Energy Fund (Fund 5M50) – Department of Development			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Earmarks up to \$75,000	Earmarks up to \$125,000	- 0 -
General Revenue Fund or other sources – Ohio University			
Revenues	- 0 -	- 0 -	- 0 -
Expenditures	Potential minimal increase in administrative costs		- 0 -

Note: The state fiscal year is July 1 through June 30. For example, FY 2010 is July 1, 2009 – June 30, 2010.

- The bill earmarks up to \$75,000 in FY 2010 and up to \$125,000 in FY 2011 from the Advanced Energy Fund (Fund 5M50) in the Department of Development to support the Ohio Energy Resource Center.
- The Voinovich School of Leadership and Public Affairs at Ohio University may incur some additional administrative costs, likely to be no more than minimal, from GRF-supported state funds or other sources.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The bill establishes the Ohio Energy Resource Center at the Voinovich School of Leadership and Public Affairs at Ohio University. Under the bill, the Center would be required to:

- Act as a knowledge hub for clean and advanced energy and energy efficiency projects;
- Maintain a database of research and development projects in the field;
- Act as an information clearinghouse regarding financial and technical assistance to private and public entities in the field; and
- Provide technical assistance in the field to state and local governments, mercantile customers, and businesses located in Appalachian counties.

The bill provides up to \$75,000 in FY 2010 and up to \$125,000 in FY 2011 to support the Center through the Advanced Energy Fund (Fund 5M50) in the Ohio Department of Development (ODOD). The bill earmarks these amounts from line item 195660, Advanced Energy Programs, which received approximately \$8.3 million in each fiscal year in H.B. 1, the main operating budget for FY 2010 and FY 2011. Revenue to the Advanced Energy Fund is derived from a rider on the electric bills of customers of investor-owned electric utilities (American Electric Power, FirstEnergy, Dayton Power and Light, and Duke Energy). Currently, the rider is set at nine cents per month for residential customers.

Additionally, it is possible that the Voinovich School could incur some costs to operate the Ohio Energy Resource Center apart from the ODOD funding provided in the bill. Such costs would be borne by Ohio University's GRF-supported state subsidy or the University's other income. According to the Board of Regents, these costs are unlikely to be more than minimal.