
PUBLIC UTILITIES COMMISSION

Electric vehicle (EV) charging stations

- Defines certain types of vehicles as “electric vehicles” (EVs), if they are powered wholly by a system that can be recharged via an external source of electricity.
- Defines an “electric vehicle charging station” as any nonresidential electric vehicle charging system that is:
 - Capable of distributing electricity from a source outside an EV to the EV; and
 - A “direct current (DC) fast charging station” (capable of distributing electricity at least 50 kilowatts (kW) DC to an EV’s rechargeable battery at a voltage of 200 volts or more) or a “Level Two charging station” (capable of distributing electricity at least 3 but no more than 20 kW of alternating current (AC) to an EV’s rechargeable battery at a voltage of 200 volts or more).
- Excludes an electric distribution utility (EDU), an affiliate or subsidiary of an EDU, and an electric cooperative, that owns or operates an EV charging station, from being classified as an “electric vehicle charging provider” (owner or operator of an electric vehicle charging station) for the purposes of the bill’s EV charging provisions.

Prohibition against EDU owning or operating EV charging stations

- Prohibits an EDU from owning or operating publicly available EV charging stations except through a separate affiliate or subsidiary that is not subject to Public Utilities Commission (PUCO) jurisdiction.

Affiliate-, subsidiary-, and cooperative-owned EV charging stations

- Prohibits an EDU from (1) charging a subsidized rate, fee, or charge for electric service distributed to its affiliate’s or subsidiary’s public EV charging stations and (2) directly or indirectly subsidizing investments in the ownership or operation of EV charging stations with revenues from providing electric distribution service.
- Requires an electric cooperative that owns or operates publicly available EV charging stations to maintain separate books and records of its EV charging station service.
- Prohibits a cooperative from including, in the rates it charges, any EV charging station costs, or any costs, unrelated to the provision of electric service.
- Requires an EDU affiliate or subsidiary, or a cooperative, that owns or operates an EV charging station to be subject to the same rates, terms, and conditions that apply to EV charging providers in the EDU’s or cooperative’s service territory.

Cost recovery for make-ready infrastructure

- Allows an EDU or electric cooperative to recover the costs of make-ready infrastructure (electrical infrastructure, excluding an EV charging station, required to accommodate the EV charging station’s electrical load) through the EDU’s or cooperative’s rates and charges so long as the subsidy is offered to EV charging providers on a nondiscriminatory basis.

EV charging stations on EDU or cooperative premises

- Permits an EDU and electric cooperative to use an EV charging station on its own premises for the sole purpose of serving its own EVs.

Electric infrastructure development

- Allows the All Ohio Future Fund to be used for, among other projects, electric infrastructure development projects conducted by EDUs and approved by PUCO.
- Defines the following:
 - “Infrastructure development” as the planning, development, and construction of EDU infrastructure including (1) substation facilities and extensions of transmission and distribution facilities that an EDU owns and operates and (2) the performance of electric load studies.
 - “Economic development project” as a land development containing a minimum of ten contiguous acres that has the potential for commercial or industrial development and that does not currently have adequate electric distribution service from an EDU.
 - “Net infrastructure development costs” as remaining costs incurred by an EDU (including, for example, an allowance for funds used during construction, depreciation, and return on equity) that are directly attributable to an economic development project after netting any funds the EDU receives from the All Ohio Future Fund.

Infrastructure development application

- After an EDU requests a reimbursement from the All Ohio Future Fund, permits the EDU to apply to PUCO for approval of (prior to its construction) infrastructure development for economic development projects, including any project approved, certified, or funded by JobsOhio.

Application requirements

- Sets requirements for what must be included in an infrastructure development application such as, for example, (1) descriptions of the economic development project and the infrastructure development necessary to support or enable that project, (2) a summary of the net infrastructure development costs to be expended on the project, and (3) the development start and completion dates.

Approval of net costs

- Permits PUCO to approve an infrastructure development application and the collection of net infrastructure development costs, if the infrastructure development is necessary to support or enable a state or local economic development project.

Approval process

- Establishes timeframes for PUCO to approve, suspend, hold a hearing for, or deny an application.

JobsOhio participation

- Permits JobsOhio to provide PUCO with a recommendation regarding the application's approval or denial.
- Specifies that if at any time there is no contract (allowed under current law) between JobsOhio and the Department of Development (DEV) in effect, DEV would perform the JobsOhio duties under the bill.

Percentage of Income Payment Plan (PIPP) changes

- Changes, from mandatory to permissive, the authority to aggregate Percentage of Income Payment Plan (PIPP) program customers for the purpose of a competitive procurement process for the supply of retail electric service for these customers.
- Transfers this authority from the DEV Director to PUCO.
- Removes the provision requiring PUCO to design, manage, and supervise the competitive procurement process upon written request of the Director.
- Changes, from the Director to PUCO, the rulemaking authority regarding the competitive procurement process for aggregated PIPP program customers.
- Requires PUCO to inform the Director, if PUCO decides to aggregate PIPP program customers and requires that to be done as soon as possible after the decision is made for the Director's consideration of possible universal service rider adjustments allowed under ongoing law.
- Specifies that the design for the competitive procurement process may include full or partial auctions of PIPP program customers to the extent necessary to transition these customers to the applicable standard service offer (SSO) price for retail electric service.
- Repeals the law that requires winning bids under a competitive procurement process for PIPP program customers to be designed to provide reliable competitive retail electric service to these customers, reduce PIPP program costs relative to the otherwise applicable SSO, and result in the best value for those paying the universal service rider.

Electric vehicle (EV) charging stations

(R.C. 4934.01, 4934.03, 4934.05, 4934.08, 4934.11, and 4934.14)

The bill establishes certain requirements and prohibitions related to “electric vehicle (EV) charging providers” and “EV charging stations.”

EV-related definitions

Under the bill, those and related terms are defined as follows:

EV-related term	Definition
Direct current (DC) fast charging station	An EV charging system capable of distributing electricity at 50 kilowatts (kW) DC or more to an EV's rechargeable battery at a voltage of 200 volts or more.
EV	A vehicle that is powered wholly by a system that can be recharged via an external source of electricity, including a vehicle for public or private use that is a passenger car, commercial car or truck, a vehicle used for public transit, a vehicle used in a vehicle fleet, a vehicle used in construction work, and a vehicle used in industrial or warehouse work.
EV charging provider	The owner or operator of an EV charging station, but excluding any electric cooperative, electric distribution utility (EDU), or EDU affiliate or subsidiary that owns or operates an EV charging station.
EV charging station	Any nonresidential electric vehicle charging system that is (1) capable of distributing electricity from a source outside an EV to the EV and (2) a DC fast charging station or Level Two charging station.
Level Two charging station	Any EV charging system capable of distributing electricity at a minimum of 3 or a maximum of 20 kW of alternating current (AC) to an EV's rechargeable battery at a voltage of 200 volts or more.
Make-ready infrastructure	Electrical infrastructure required to accommodate the electric load of an EV charging station, but excluding an EV charging station.

Prohibition against EDU owning or operating EV charging stations

The bill prohibits an EDU from owning or operating publicly available EV charging stations except through a separate affiliate or subsidiary that is not subject to Public Utilities Commission (PUCO) jurisdiction.

Affiliate-, subsidiary-, and cooperative-owned EV charging stations

EDU affiliates or subsidiaries

The bill expressly prohibits an EDU from charging its affiliate or subsidiary a subsidized rate, fee, or charge for electric service distributed to the affiliate's or subsidiary's publicly available EV charging station. It also prohibits the EDU from directly or indirectly subsidizing investments in the ownership or operation of EV charging stations with revenues it receives from providing electric distribution service.

Under the bill, an EDU's affiliate or subsidiary that owns or operates an EV charging station must be subject to the same rates, term, and conditions that apply to EV charging providers located in the EDU's certified territory.

Electric cooperatives

Similar to an EDU affiliate and subsidiary described above, an electric cooperative that owns or operates publicly available EV charging stations must be subject to the same rates, terms, and conditions for the operation of such stations that apply to EV charging providers in the cooperative's designated service territory. The bill also prohibits a cooperative from including in the rates it charges for electric service any EV charging station costs, or any costs, unrelated to the provision of electric service.

Unlike an affiliate or subsidiary, the bill requires a cooperative that owns or operates publicly available EV charging stations to maintain separate books and records of its EV charging station service.

Cost recovery for make-ready infrastructure

Nothing in the bill's EV charging provisions described above prohibits an EDU or cooperative from recovering the costs of make-ready infrastructure through rates or charges authorized under the EDU's distribution rate case under the utility ratemaking law or through rates or charges implemented by the cooperative, as applicable, so long as the subsidies for make-ready infrastructure are offered to EV charging providers on a nondiscriminatory basis.

EV charging stations on EDU or cooperative premises

Nothing in the bill's EV charging provisions described above may be construed to prohibit an EDU or cooperative from operating, leasing, installing, or otherwise procuring service from an EV charging station on its own premises for the sole purpose of serving its own EVs.

Electric infrastructure development

(R.C. 126.62 and 4928.85 to 4928.89)

The bill modifies the All Ohio Future Fund to promote economic development through loans, grants, or other incentives, including electric infrastructure development conducted by an EDU and approved by PUCO.

Infrastructure development application

The bill permits an EDU to file an application with PUCO for approval of infrastructure development necessary to support or enable a state or local economic development project, including any project approved, certified, or funded by JobsOhio. Under the bill, an application may be filed only after the EDU files a request for disbursement from the All Ohio Future Fund. The EDU, prior to beginning the infrastructure development, must file and receive PUCO approval for, the application.

Under the bill, "infrastructure development" is the planning, development, and construction of EDU infrastructure, including (1) performance of electric load studies and (2) substation facilities and extensions of transmission and distribution facilities that an EDU

owns and operates. An “economic development project” is a land development containing a minimum of ten contiguous acres that has the potential for commercial or industrial development and that does not currently have adequate electric distribution service from an EDU.

Application requirements

An EDU’s infrastructure development application must include each of the following:

- Descriptions of the economic development project and the infrastructure development necessary to support or enable that project, including the general location and type of facilities that the applicant proposes to replace, construct, or improve;
- A description of potential uses or new customers that may be served by the project;
- A summary of the net infrastructure development costs to be expended on the project;
- The proposed start and completion dates for the infrastructure development;
- A statement of support of the project from any state or local entity involved with the project;
- Other information the applicant considers relevant for PUCO’s consideration.

Approval of net costs

Under the bill, PUCO may approve an infrastructure development application and the collection of net infrastructure development costs, if the infrastructure development is necessary to support or enable a state or local economic development project. The bill defines “net infrastructure development costs” as any remaining costs of infrastructure development incurred by an EDU that are directly attributable to the economic development project after netting the amount of any funds the EDU received from the All Ohio Future Fund. Infrastructure development costs include (1) an allowance for funds used during construction, depreciation, return on equity, ongoing operation maintenance and operation, and tax expenses, (2) project planning costs, and (3) the costs associated with obtaining the right-of-way for the project.

As listed above in (1), the bill refers to “operation maintenance and operation” costs. It is not clear what is meant by “operation maintenance” costs and how those costs differ from “operation costs.” If the phrase is intended to mean “operation and maintenance” costs, an amendment to the bill may be needed to clarify this intent.

PUCO approval process

PUCO must approve or deny an application within 45 days after the application’s filing date. If PUCO does not approve or deny the application within that period, the bill requires the application to be deemed approved as filed. However, under an exception created by the bill, an application is not deemed approved, if PUCO suspends the application for good cause shown. In the case of a suspension, PUCO must approve, deny, or hold a hearing on the application not later than 45 days after the suspension begins. If PUCO holds a hearing after an application suspension, PUCO must take action on the application by issuing an order approving or denying it within 30 days of the final date of the hearing.

JobsOhio participation

The bill permits JobsOhio to recommend, to PUCO, an application's approval or denial. And, as described above, an infrastructure development project application, may be for development that supports or enables any project approved, certified, or funded by JobsOhio. The bill specifies that if at any time there is no contract between JobsOhio and the Department of Development (DEV) in effect, then DEV would perform the JobsOhio duties under the bill. Under ongoing law, DEV may execute a contract with JobsOhio to assist the DEV Director with providing services to and carrying out DEV duties.¹⁴⁹

Percentage of Income Payment Plan (PIPP) program

(R.C. 4928.54, 4928.543, and 4928.544; repealed R.C. 4928.542)

The bill changes the law to *permit* PUCO to aggregate percentage of income payment plan (PIPP) program customers to establish a competitive procurement process for the supply of competitive retail electric service for those customers. Currently, the law *requires* the DEV Director to aggregate PIPP program customers.

The bill requires PUCO, rather than the Director, to adopt rules to implement the aggregated competitive procurement process for the aggregation. It also repeals the requirement that PUCO design, manage, and supervise the competitive procurement process upon written request of the Director. Presumably, PUCO would continue to be responsible for the design, management, and supervision of the process (and may adopt rules for this purpose), but without the requirement that PUCO receive a written request from the Director before that could occur.

Under the bill, if PUCO decides to aggregate PIPP program customers, PUCO must inform the Director of the decision as soon as possible after making the decision. PUCO must inform the Director of the decision for the Director's consideration of possible universal service rider adjustments.

The bill implicitly allows the transition of PIPP program customers from a competitive procurement process to the applicable SSO price for electric service under ongoing competitive retail electric service law. To the extent necessary to transition PIPP customers, the bill expressly allows the design for the competitive procurement process to include full or partial auctions of PIPP program customers.

Repealed by the bill are requirements for winning bids selected through the competitive procurement process. Under the bill, the law will no longer expressly state that winning bids must meet the following requirements:

- Be designed to provide reliable competitive retail electric service to PIPP program customers;

¹⁴⁹ R.C. 187.04, not in the bill.

- Reduce the cost of the PIPP program relative to the otherwise applicable SSO established in the competitive retail electric service law;
- Result in the best value for persons paying the universal service rider.

Background

In Ohio, low-income customers, for their electric utility service, may participate in the PIPP program administered by DEV. Upon enrollment and proof of income eligibility, PIPP program customers pay lower monthly payments that, if paid on time and in full each month, reduce the customers' outstanding balances.¹⁵⁰ The program is funded by universal service revenues collected from (1) electric distribution customers through the universal service rider, a rider on retail electric distribution rates as determined by PUCO and (2) PIPP program customer payments. PUCO may make adjustments to the universal service rider after the Director petitions PUCO for an increase in the rider. The Director must consult the Public Benefits Advisory Board before petitioning PUCO for an adjustment.¹⁵¹

¹⁵⁰ [Percentage of Income Payment Plan \(PIPP\)](http://development.ohio.gov), available at the Department of Development's website: development.ohio.gov.

¹⁵¹ R.C. 4928.51 and 4928.52, not in the bill.