

# AN ACT

To enact sections 4929.16, 4929.161, 4929.162, 4929.163, 4929.164, 4929.165, 4929.166, and 4929.167 of the Revised Code to permit natural gas companies to apply for an infrastructure development rider to recover costs of certain economic development projects.

*Be it enacted by the General Assembly of the State of Ohio:*

SECTION 1. That sections 4929.16, 4929.161, 4929.162, 4929.163, 4929.164, 4929.165, 4929.166, and 4929.167 of the Revised Code be enacted to read as follows:

Sec. 4929.16. As used in sections 4929.16 to 4929.167 of the Revised Code:

(A) "Infrastructure development" means constructing extensions of transmission or distribution facilities that a natural gas company owns and operates.

(B) "Infrastructure development costs" means the investment to which both of the following apply:

(1) The investment is in infrastructure development.

(2) The investment is for any deposit required by the natural gas company, as defined in the line-extension provision of the company's tariff, less any contribution in aid of construction received from the owner or developer of the project.

"Infrastructure development costs" includes planning, development, and construction costs and, if applicable, any allowance for funds used during construction.

Sec. 4929.161. A natural gas company may file an application with the public utilities commission for approval of an infrastructure development rider to recover prudently incurred infrastructure development costs of one or more economic development projects approved under section 4929.163 or 4929.164 of the Revised Code.

Sec. 4929.162. Under an infrastructure development rider, in each calendar year:

(A) The natural gas company may not recover more than two dollars

from any single customer in this state, for all projects that were approved under section 4929.163 of the Revised Code and for which recovery was authorized under that rider.

(B) The company may not recover more than one dollar from any single customer in this state, for all projects that were approved under section 4929.164 of the Revised Code and for which recovery was authorized under that rider.

(C) The company shall recover the same amount from every customer.

Sec. 4929.163. (A) A natural gas company may file an application with the public utilities commission for approval of an economic development project. The company shall file the application prior to beginning the project.

(B) The application for approval shall contain a description of each of the following:

(1) The economic development project;

(2) The infrastructure development costs to be expended on the project;

(3) How the project meets the criteria set forth in rules adopted under division (C) of this section.

(C) The commission shall adopt rules setting forth the criteria for project approval under this section. The commission may approve a project under this section if both of the following apply:

(1) The infrastructure development costs for the project are projected to generate a return on the company's investment that is less than the most recently authorized rate of return.

(2) The amount of infrastructure development costs to be incurred by the company per calendar year, for the project and all other projects previously approved under this section, is not projected to exceed the product of two dollars multiplied by the aggregate number of the company's customers in this state.

(D) The commission shall adopt rules to provide for an accelerated review of an application filed under division (A) of this section. The rules shall provide for the automatic approval of the application not later than thirty days after the date of the application filing unless the commission suspends the application for good cause shown. If the application is suspended, the commission shall approve, deny, modify, or hold a hearing on the application not later than forty-five days after the date that the suspension begins.

Sec. 4929.164. (A) A natural gas company may file an application with the public utilities commission for approval of an economic development project that has been certified by the director of development services under

the SiteOhio certification program, pursuant to section 122.9511 of the Revised Code. The company shall file the application prior to beginning the project.

(B) The commission may approve a project under this section if both of the following apply:

(1) The infrastructure development costs for the project are projected to generate a return on the company's investment that is less than the most recently authorized rate of return.

(2) The amount of infrastructure development costs to be incurred by the company per calendar year, for the project and all other projects previously approved under this section, is not projected to exceed the product of one dollar multiplied by the aggregate number of the company's customers in this state.

(C) The commission shall adopt rules to provide for an accelerated review of an application filed under division (A) of this section. The rules shall provide for the automatic approval of the application not later than ninety days after the date of the application filing unless the commission suspends the application for good cause shown. If the application is suspended, the commission shall approve, deny, modify, or hold a hearing on the application not later than forty-five days after the date that the suspension begins.

Sec. 4929.165. A natural gas company that has established an infrastructure development rider under section 4929.161 of the Revised Code shall file an annual report with the public utilities commission. The report shall do both of the following:

(A) Detail the infrastructure development costs related to the applicable economic development project or projects;

(B) Set forth the rider rate for the twelve months following the annual report.

Sec. 4929.166. Any property installed or constructed by a natural gas company to enable the provision of natural gas service to an economic development project approved under section 4929.163 or 4929.164 of the Revised Code shall be considered used and useful in rendering public utility service for purposes of section 4909.15 of the Revised Code.

Sec. 4929.167. The public utilities commission may, at its discretion, conduct a financial audit of a natural gas company that has established an infrastructure development rider under section 4929.161 of the Revised Code to determine if the infrastructure development costs incurred by the natural gas company and collected pursuant to the rider are in conformance with the commission's orders.

Sub. H. B. No. 319

130th G.A.

*William G. Stebbins*

Speaker \_\_\_\_\_ of the House of Representatives.

*John Miller*

President \_\_\_\_\_ of the Senate.

Passed December 11, 2014

Approved DEC 19, 2014

*John R. Kasich*

Governor.



Sub. H. B. No. 319

130th G.A.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

*Mark C. Flanders*

*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the 22 day of December, A. D. 2014.

*Jim Hotz*

*Secretary of State.*

File No. 170

Effective Date March 23, 2015

File No. 170

(130th General Assembly)  
(Substitute House Bill Number 319)

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*Introduced by*

Representative Grossman

Cosponsors: Representatives Amstutz, Anielski, Boose, Buchy, Burkley, Dovilla, Hackett, Hayes, McGregor, Pelanda, Wachtmann, Young Speaker Batchelder  
Senators Balderson, Burke, Coley, Eklund, Hite, Jones, Kearney, Lehner, Patton, Peterson, Sawyer, Schaffer, Seitz

*Passed by the House of Representatives,*

December 4, 2014

*Passed by the Senate,*

December 11, 2014

*Filed in the office of the Secretary of State at  
Columbus, Ohio, on the*

22 day of December, A. D. 2014

Secretary of State.