

Gov. Mike DeWine signs sweeping energy bill into law

By Mary Frances McGowan
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COLUMBUS, Ohio - A sweeping [bipartisan](#) energy bill touted by its backers as Ohio's solution to a looming energy crisis was signed into law Thursday by Gov. Mike DeWine.

The governor's approval comes after the [legislation overwhelmingly passed both chambers of the Ohio General Assembly](#), including a unanimous vote in the state Senate.

Passage of [House Bill 15](#), which will take effect in 90 days, lays the groundwork for what's expected to be a significant shift in Ohio's energy landscape. Ohio Senate President Rob McColley, a Napoleon Republican, [said after the signing](#) that it sets the stage for a "transformational change."

"Transformational change in our energy policy, transformational change in the amount of energy that we're going to develop right here in Ohio with our own commodities that we have right underneath our own feet, and something that I do believe will drive more affordability, more dependability, and dispatchability of energy going forward," McColley said.

Ohio is on the precipice of an energy demand crisis spurred in large part by construction of [power-sucking data centers](#) that threaten to overwhelm the grid. The data centers, [which have proliferated mostly in central Ohio](#), draw huge amounts of energy, and projections say [future demand](#) will far outstrip projected supply.

The wide-ranging law is intended to, among other things, [encourage](#) the construction of more power plants in the state, particularly those producing natural gas. One of the major ways the law aims to incentivize new power plants is through reducing local property taxes on power producers and distributors.

As it stands, power-plant operators and utilities pay property taxes on 85% on the assessed value of their transmission infrastructure, such as poles and wires, and 24% of the value of their power generation property. Pipeline companies also pay property tax on 88% of their infrastructure's assessed value. HB 15 won't change how

existing energy infrastructure is taxed but will cut the assessment rate to 25% for newly built electric distribution assets or pipelines, and 7% for new electric generation property. Those tax reductions are slated to take effect in 2027.

“To have a unanimous energy bill, especially one that leans into natural gas, is something that’s commendable,” McColley said.

The law also aims to increase oversight over what electric utilities charge consumers. Utilities would be subject to regular rate reviews, rather than the one-off “electric security plans” they use now to adjust rates.

“Ohio families won’t see riders automatically appearing on their power bills any longer,” [said state Sen. Bill Reineke, a Tiffin Republican](#). “Energy companies will need to open their books through a traditional rate case to justify additional charges used to cover upgrades to the grid and that brings accountability to Ohio consumers.”

Among other changes in the sweeping legislation, the law aims to repeal the coal and solar subsidies included in 2019’s [House Bill 6](#). The 2019 energy law was later found to have been passed with the help of \$60 million in bribes from the Akron-based utility FirstEnergy.

The bill also would:

- Require electric utilities to produce annual reliability reports with detailed information on outages
- Mandate that utility companies issue refunds for charges found to be improper by the Ohio Supreme Court -- at least, when the charges are still imposed after the court’s ruling.
- Make electric utilities, when seeking a permit to build a new power transmission line, provide a summary of studies into how “advanced transmission technologies” could allow the company to improve existing transmission lines instead of needing to build a new one.

Jeremy Pelzer contributed reporting.