



Ohio
Gas Access
Partnership

ENERGIZE OHIO

Bringing additional supplies of natural gas to "energy deserts" to support balanced and sustainable industrial, commercial and residential development.



Access to adequate, affordable energy is essential for job growth and economic development. Ohio has become a dominant natural gas energy producer, but not all regions of the state have access to this abundant, local resource.

Despite growth in natural gas production and investments in gathering lines, intrastate pipelines and major new interstate pipelines, several areas of the state have little or no access to this affordable energy source. Building on the success of existing state development incentive programs, OGAP is proposing several targeted incentives to eliminate "energy deserts" so that all of Ohio can prosper.



For more information visit www.OhioGap.org

HOUSE BILL 685

CO-SPONSORS: REP. JAY EDWARDS & REP. JON CROSS

ENERGIZING ENERGY INFRASTRUCTURE

ENERGIZEOhio Zones – Priority Investment Areas: Counties or communities where economic growth is negatively impacted because of no or inadequate natural gas infrastructure can request the Director of Development to designate all or a portion of their territory as an EnergizeOhio Zone. These situationally distressed areas would receive a special designation to encourage natural gas expansion or infrastructure upgrades. A designated region would receive the benefit of certain incentives for a period of time through the following ENERGIZEOhio program as outlined below.

ENERGIZEOhio Zone Tax Abatement Program: By expanding and/or building new gas pipelines within a qualified EnergizeOhio Zone, the true value of new “qualifying property” would receive 75% of the ad valorem tax abated for 10 years on new pipeline expansion and/or qualified upgrades. Abatements in excess of 75% could be granted only with local school board approval.

ENERGIZEOhio Zone Accelerated Depreciation: New pipelines would be granted an accelerated tax depreciation schedule. Thus, in year 11 after a new pipeline goes into service, it would be taxed at the year 30 depreciation schedule rate.

ENERGIZEOhio Zone Infrastructure Financing Program: Leverage \$50 million in state funds to create a \$300 million natural gas infrastructure fund to finance eligible energy infrastructure projects through loans/bonds within an EnergizeOhio Zone.

ENERGIZEOhio Corridor Easements: Creates a new Pipeline Easement Revolving Fund to allow eligible applicants to purchase or lease pipeline easements on property within an EnergizeOhio Zone. \$20 million would be appropriated from the Ohio Facilities Establishment Fund into the new Pipeline Easement Revolving Fund.

ENERGIZEOhio Infrastructure Development Rider:

Within an EnergizeOhio Zone, the PUCO may implement an Infrastructure Development Rider (IDR) to fund approved infrastructure development.

ENERGIZEOhio Enhanced Rate of Return: Provide an enhanced rate of return of up to 12 percent to gas companies to encourage new investment projects within an EnergizeOhio Zone.



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