



Ohio Revised Code

Section 1551.15 Grants and contracts for energy resource development.

Effective: June 26, 2003

Legislation: House Bill 95 - 125th General Assembly

(A) All general revenue fund moneys required by the department of development for purposes of sections 1551.01 to 1551.25 of the Revised Code are subject to appropriation by the general assembly.

(B) The director of development may enter into agreements, make grants, or enter into contracts for the purposes of effecting the construction and operation in this state of experimental, pilot, or demonstration energy resource development facilities. Before making grants or entering contracts, the director shall determine that all of the following criteria are met:

(1) The urgency of public need for the potential results of the experimental, pilot, or demonstration project is high, and there is little likelihood that similar results would be achieved in this state in a timely manner in the absence of state assistance;

(2) The potential opportunities for private interests to recapture the investment in the undertaking through the normal commercial exploitation of proprietary knowledge appear to be inadequate to encourage timely results in this state;

(3) The extent of the problems treated and the objectives sought by the project are consistent with the purposes of sections 1551.01 to 1551.25 of the Revised Code and of general significance to the state.

This determination by the director shall include the facts or reasons justifying it and shall be journalized by the director.

(C) The director may use funds as appropriated, donated, granted, or received for any of the following purposes:

(1) Construction and related architectural or engineering studies or purchase of physical plant and equipment for an experimental, pilot, or demonstration energy resource development facility;



(2) Acquisition and improvement of land, construction of roads, and provision of other public facilities incidental and necessary to the accomplishment of experimental, pilot, or demonstration energy resource development facilities;

(3) Operation of an energy resource development experimental, pilot, or demonstration project or facility, which could include but not be limited to labor, feedstocks, and repair or replacement parts;

(4) Purchase of all or a portion of the usable output of energy resource development experimental, pilot, or demonstration projects and the disposition of this output for use in the facilities of governmental agencies.

(D) Each grant made pursuant to this section shall be accomplished through written agreements between the department and the person or governmental agency which would effect the construction and operation of the project or facility, and between the department and the persons and governmental agencies which would share the expenses and costs of the project or facility. In addition to such other terms as may be required by law or advised by counsel, each agreement shall provide for each of the following conditions:

(1) The limitation of the department's financial obligations in the project or facility to a specified dollar amount which shall not exceed one-third of the total costs of the project or facility;

(2) The financial participation in the project or facility by the federal government or its agencies, by private corporations doing business in this state, by local governmental agencies, or by other organizations;

(3) The disposition of the assets of the project or facility, should it be terminated or abandoned, in such manner that the department shall be repaid in the same proportion as its share in the total of moneys, property, or other assets expended, contributed, or invested in the project or facility;

(4) The criteria for the identification if and when the project or facility is commercially viable through the profitable disposition of its output;



(5) The termination of the department's financial support at such time the project or facility is commercially viable and the repayment of the department through the future profits, if any, of the project or facility.