

Ohio revises existing law related to municipal installment payment contracts for energy conservation measures

On December 30, 2008, Ohio House Bill 420 took effect, amending Section 717.02 of the Ohio Revised Code — which addresses installment payment contracts entered into by municipalities for energy conservation measures, including upgrading or installing heating or air conditioning systems, building insulation, or windows and doors. Specifically, House Bill 420:

- Expanded the definition of “[e]nergy conservation measure” and created a definition for “[i]nfrastructure;”
- Authorized municipalities to enter into contracts for the creation of an energy conservation report;
- Specified how municipal corporations can procure and implement energy conservation measures, including when competitive bidding laws apply;
- Provided specific terms for provisions of installment payment contracts that deal with interest charges and financing terms; and
- Revised the law on the issuance of notes by municipalities for installment payment contracts for energy conservation measures.

Under House Bill 420, the value of such energy savings contracts should not exceed the amount of a municipality's anticipated energy savings.

The full text of the new law can be found at O.R.C. 717.02 (as amended).

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