



Ohio House Public Utilities Committee
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Opponent Testimony on House Bill 554

Chairman Dovilla, Vice Chair Roegner, Ranking Member Ashford, and distinguished members of the Committee, thank you for the opportunity to provide testimony on House Bill 554. My name is Dennis Bollinger and I am the Vice President Commercial and Regulatory Affairs for Energy Developments, Inc. Energy Developments is opposed to substitute House Bill 554 and any attempt to continue the freeze on Ohio's renewable energy standards through "goals."

Energy Developments builds, owns, and operates landfill gas to electricity power stations in several states, with our largest footprint here in Ohio. Energy Developments operates three facilities in Ohio with a view toward future expansion – including our newest facility under development located in Georgetown. The three operational Ohio facilities generate 60 MW of baseload, renewable power utilizing an otherwise flared gas.

Landfill gas to electricity facilities provide their utility customers with a high capacity and reliable renewable power source. Because of the nature of landfill gas and its continuous generation process, these projects operate 24/7, most at capacity factors above 80 percent. The 60 megawatts of landfill gas to electricity that Energy Developments operates in Ohio is equivalent to 200 MW of wind capacity or 330 MW of solar capacity. Landfill gas to electricity facilities are unaffected by typical weather and sunlight conditions that do affect other renewable technologies. These renewable power facilities also provide landfill owners with an additional environmental control device that destroys the methane gas generated by the decomposing trash.

Energy Developments commenced operations in Ohio seventeen years ago, building energy facilities in Mahoning County, Lorain County, Franklin County, and Ottawa County. The initial investment for these energy plants was \$50 million. After SB 221 passed in 2008, Energy Developments expanded its renewable footprint in Ohio. Over the last five years, we have invested another \$60 million in expansions and upgrades of these facilities, bringing our total investment in Ohio to \$110 million. Energy Development's \$110 million investment went to pay the Ohio based equipment suppliers and Ohio based contractors that built these facilities. Today these projects



employ 22 full time employees and additional 15 to 20 contractors. These are Ohioans who have families and a future in the Ohio renewable power generation industry.

As part of the enhanced commitment to the State of Ohio, Energy Developments closed its Texas office and established Ohio as its Operations Headquarters. In Ohio, we now have critical staff functions including the Chief Operating Officer, US Production Manager, US Information Systems Manager, US Power Stations Maintenance Manager and various support staff. With its strong manufacturing and energy infrastructure, Ohio has provided Energy Developments with a solid platform for recruiting management, engineering and technical staff. Energy Developments' Ohio payroll and operating cost exceeds \$5 million annually.

When Ohio enacted the 2 year freeze on the Renewable Portfolio Standards in 2014 and permanently eliminated the fifty percent in-state requirement, our company was impacted. After more than \$100 million in capital investment in Ohio and plans for much more, we had to step back and assess whether an Ohio market for renewable energy credits (RECs) would return. In the interim two years, we – as a company with a significant Ohio presence – had to sell our RECs into states like Pennsylvania, New Jersey, and Maryland. The three year “goal” period contained in substitute House Bill 554 only makes this problem worse. The bottom line for our business is market stability. “Goals” do not provide market stability, so the “attractiveness” of Ohio as an investment opportunity is significantly impacted.

Ohio can attract new industry and the growth of industries like ours with stability and commitment to businesses and investors. House Bill 554 would undoubtedly continue stalled growth and tell industries like ours that this is not the state in which to invest.

Representatives, the renewable standard was working until it was frozen in 2014. Ohio can attract large capital investments that create jobs and foster innovation by resuming a reasonable RPS in 2017. We would further suggest that the in-state requirement, which directly drives investment and projects here, should be revisited. Energy Developments' investment in Ohio is a real world example of how visionary legislation can provide a positive impact to Ohioans. I respectfully ask you to let Ohio return to the forefront of clean, renewable energy generation in the United States by not creating more certainty with a three year “goal” period. Thank you for allowing me to testify and I am happy to take any questions from the committee.