

Testimony of Robert J Brecha

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Opposition Testimony for Ohio House Bill 554

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Chairman Dovilla, Vice Chairwoman Roegner, Ranking Member Ashford, and Members of the Ohio House Public Utilities Committee, thank you for the opportunity to testify today. I am here to testify in opposition to House Bill 554.

My job as a professor at the University of Dayton is to educate the next generation of citizens. Students in our programs in renewable energy and sustainability at UD receive excellent technical training, which is one reason we attract students from around the country and around the world. But another focus is to educate the whole person and to give students an appreciation of the value of community. They graduate from UD wanting to make a difference in their local communities and in the state, and many of them decide that they would like to remain here in Ohio, even if it is not where they grew up.

Like many other states, in 2008 the Ohio General Assembly passed renewable energy and energy efficiency standards. Nationally, renewable energy has been growing at a remarkable pace, providing hundreds of thousands of new, well-paying jobs. Ohio has been part of that trend, with renewable energy jobs in the State far surpassing those in the coal industry, for example. These are the jobs that our students are interested in for their careers.

In 2014, the legislature placed a “freeze” on the standards which expires at the end of 2016. In principle, the Energy Mandates Study Committee was to have provided an analysis of the costs and benefits to Ohioans of the renewable portfolio standards. My analysis of that Committee report is that only half the job was done: the benefits to our State of the standards and the increasing use of renewable energy were completely ignored. And even the analysis of costs was carried out with a clear bias toward a negative outcome. Based at least in part on the Committee’s report, the current legislation (SB 320 and HB 554) now eliminates all compliance requirements for the next 3 years. More generally, this legislation removes incentives for our State to be at the forefront of the new energy economy that will come, with us or without us.

Ohio’s renewable energy production has increased to 2.5% driven mainly due to the standards. Independent and professional analysis of renewable portfolio standards by the National Renewable Energy Laboratory, in which both costs and benefits are taken into account, show a clear net-positive effect for these standards. In addition to the jobs created in the renewable energy industry, generation of power by renewables leads to avoided health-care costs for our

citizens due to reduced air pollution. That effect alone outweighs and compliance costs. Adding the benefits of clean renewable energy because of avoided carbon dioxide emissions makes the case even more clear for renewables.

I am concerned that HB 554 and SB 320 would serve to make Ohio's business climate far less attractive, as other states move forward with renewable energy development. And eliminating incentives for energy efficiency serves nobody's interests. At the University of Dayton, for years we have been helping local industries and homeowners save money through energy efficiency audits and suggestions for improvements. Without the suite of renewable portfolio standards, the fallback is to a model in which providers would like to sell as much power as possible, and consumers have little opportunity to learn about the potential for financial savings through more efficient use of energy.

Governor Kasich has shown great leadership on energy issues and consistently has re-affirmed his support for clean energy and energy efficiency. We support his call to reinstate meaningful standards. If Ohio allows the freeze to lift, the industry would be able to supply the renewables and energy efficiency markets in a very cost effective manner.

I urge you to oppose this legislation and reinstate the RPS and energy efficiency standards.

I appreciate your time and consideration today. I welcome any questions the committee may have.

Submitted by Robert J. Brecha. The views expressed here are those of the author and do not necessarily represent the University of Dayton.