



**Testimony of Lucas Langhals**

**Director of Business Development**

**UltimateAir Inc**

**Opposition Testimony for Ohio Substitute House Bill 554**

**12-08-2016**

Chairman Balderson, Vice Chairwoman Jones, Ranking Member Gentile, and Members of the Ohio Senate Energy and Natural Resources Committee, thank you for the opportunity to testify today. My name is Luke Langhals and I am here to testify in opposition to Substitute House Bill 554.

I am the director of Business Development for UltimateAir. We are a manufacturer located in Athens. We have been manufacturing ventilation systems in Ohio, exclusively for the high-performance building industry, for over 20 years. Our systems have been well recognized as the high efficiency option for a very long time and we pride ourselves on being involved in some of North America's most publicized Energy Efficient projects. However, most of these projects have taken place outside of Ohio. 95% of our sales go directly to states with friendlier clean energy environments. Including Colorado, Connecticut, New York, Virginia, and Pennsylvania; to name a few.

In 2008 we were very encouraged to see the Ohio General Assembly pass renewable energy and energy efficiency standards. Over the following years, we have seen these standards drive lower electric costs, increase clean energy jobs, and help Ohio build a competitive marketplace among our fellow states. When the freeze was placed on these standards 2 years ago, UltimateAir began to question our home state for manufacturing. From an image standpoint – it would make far more sense for UltimateAir to operate in a state with a more favorable clean energy market. We want nothing more than to build products for our home state; however, we believe the local clean energy environment continues to become less friendly to businesses such as ours.

Recently, I was unfortunately notified that the Senate is considering Sub. HB554, which would effectively extend the current freeze for 3 more years without providing a sense of policy certainty for companies that require years of stability. Upon hearing of my ability to share my story, I knew I must come today and speak with you.

The proposed legislation would eliminate all accountability for improving Ohio's clean energy industry for the next 3 years. I view this as a functional freeze on progress and another step back in building a local economy which parallels itself with the goals of our nation.

The freeze will not impact UltimateAir's business immediately per say. We will continue to manufacture products in Ohio and we will continue to ship 95% of these products to other

states. I often tell people that UltimateAir is managed by 90% industry advocates and 10% businessmen. We want to add jobs to our manufacturing facility and we want to help our home state grow in the larger clean energy economy. We plan to launch a second business in 2017 which will manufacture a renewable energy technology in Ohio and we plan to add jobs for this new venture. All immediate employees will be Ohio based but most likely the majority of the products they manufacture will leave our home state.

It is growing disconcerting that my industry colleagues continue to ask WHY we are based in Ohio. I hope that in the future, they will see my home state's standards to be on par with their own. I believe that voting NO on Sub. HB554 will assist in this happening. We look forward to building another new manufacturing business in Ohio. Helping to grow our economy and continue to hire employees in a region that desperately needs manufacturing and industry.

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