



**HOUSE PUBLIC UTILITIES COMMITTEE**  
**Proponent Testimony on HB 114**  
**Micah Derry, State Director**  
**March 21, 2017**

Chair Seitz, Vice Chair Carfagna, Ranking Member Ashford and members of the Public Utilities Committee. Thank you for the opportunity to testify today in support of House Bill 114 on behalf of our tens of thousands of activists right here in the Buckeye State.

Americans for Prosperity – Ohio exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate.

I urge support from this committee for House Bill 114 which would end Ohio's costly energy mandate. Currently, utilities are mandated by law to generate a portion of their electricity from renewable energy sources or face harsh penalties for non-compliance under the alternative energy portfolio standard. Unfortunately, the sources of electricity mandated are often more expensive and less reliable than traditional sources. Ohioans risk higher energy prices and less reliability if HB 114 is not passed and the energy mandate continues.

Research from several studies of Ohio's energy mandate shows that it causes job losses and economic decline. The most recent [analysis](#) comes from the Buckeye Institute who published a study on the mandate earlier this month. Economists at Buckeye ran four separate scenarios estimating the impacts of the energy mandate. In all their scenarios, Ohio suffered losses in jobs and gross state product. Two of the scenarios estimated between 26,900 and 34,200 jobs would be lost and declines of between \$3.09 and \$3.99 billion in state gross product by 2026 if the mandate continues.

The study from the Buckeye Institute builds on previous research of Ohio's energy mandate. The Beacon Hill Institute [examined](#) the energy mandate in 2011 finding it would lead to 9,753 fewer jobs and cost consumers \$1.427 billion in higher energy prices. A 2015 [study](#) from the Institute of Political Economy at Utah State University estimated job losses would be up to 29,000.

Other states have realized the harmful impacts of their energy mandates and moved to end them. West Virginia repealed its energy mandate in 2015. Kansas ended its energy mandate by making it a voluntary goal. Ohio should follow the lead of these states by passing HB114.

House Bill 114 ends the energy mandate by making it voluntary. Utilities would no longer face harsh financial penalties for not complying with the mandate. Moving towards a voluntary goal make sense as utilities may still pursue renewable energy projects to the extent they are cost-effective, but not only because they face harsh penalties if they do not. HB114 also builds on the previous successful work of Ohio's lawmakers when they froze the energy mandate in 2014 recognizing the harms it imposes.

Americans for Prosperity strongly supports House Bill 114 as it helps ensure Ohioans will have affordable and reliable electricity, and has designated it is a key vote on our legislative scorecard.